

MDIA Income	February 2015	Invoice	03/01/2015 20150107	February 2015	Hospital for Special Surgery:HSS Ortho	Eligibility & Authorization Services	1,021.00
MDIA Income	February 2015	Invoice	03/01/2015 20150111	February 2015	University of Medicine and Dentistry NJ:UofMD NJ-ENT	Eligibility & Authorization Services	800.00
MDIA Income	February 2015	Invoice	03/01/2015 20150112	February 2015	St. Barnabas Hospital	Eligibility & Authorization Services	767.00
MDIA Income	February 2015	Invoice	03/01/2015 20150117	February 2015	Queens Arthroscopy and Sports Medicine:Queens Arthroscopy MDIA	Eligibility & Authorization Services	77.00
MDIA Income	February 2015	Invoice	03/01/2015 20150089	February 2015	Hospital for Special Surgery	Eligibility & Authorization Services	250.00
MDIA Income	February 2015	Invoice	03/01/2015 20150088	February 2015	David Mayman	Eligibility & Authorization Services	155.00
MDIA Income	February 2015	Invoice	03/01/2015 20150087	February 2015	John Kennedy	Eligibility & Authorization Services	75.00
MDIA Income	February 2015	Invoice	03/01/2015 20150108	February 2015	Medstar Surgical	Eligibility & Authorization Services	7,744.25
MDIA Income	February 2015	Invoice	03/01/2015 20150119	February 2015	New York Spine Medicine	Eligibility & Authorization Services	192.50
MDIA Income	February 2015	Invoice	03/01/2015 20150094	February 2015	Steven Murphy	Eligibility & Authorization Services	75.00
MDIA Income	February 2015	Invoice	03/01/2015 20150016	February 2015	University Diagnostic Testing LLC	Eligibility & Authorization Services	75.00
MDIA Income	February 2015	Invoice	03/01/2015 20150014	February 2015	William Street Footcare	Eligibility & Authorization Services	153.00
MDIA Income	February 2015	Deposit	03/05/2015 PAYPAL	February 2015	MDInsuranceAuth	PAYPAL TRANSFER PPD ID: PAYPALSD11	5,967.15
MDIA Income	February 2015	Deposit	03/17/2015 PAYPAL	February 2015	MDInsuranceAuth	PAYPAL TRANSFER PPD ID: PAYPALSD11	4,700.00
RCM Revenue	February 2015	Invoice	03/02/2015 3598G	02/24/2015-03/02/2015	Brooklyn Medical Eye Associates	Medical Billing Services for DOS starting from January 1, 2013	648.37
RCM Revenue	February 2015	Invoice	03/02/2015 3598G	02/24/2015-03/02/2015	Brooklyn Medical Eye Associates	CPT 92015: Gelo \$20.44 & Lask \$46.90	4.04
RCM Revenue	February 2015	Invoice	03/02/2015 3598G	02/24/2015-03/02/2015	Brooklyn Medical Eye Associates	Medicaid Claims Processing per Procedure Billed	5.00
RCM Revenue	February 2015	Invoice	03/02/2015 3599	02/01/2015-02/28/2015	Geriatrics Association of New Jersey	Medical Billing Services for the period: 02/01/2015-02/28/2015	1,618.88
RCM Revenue	February 2015	Invoice	03/02/2015 3600	02/01/2015-02/28/2015	New York Spine Care	Medical billing services for the following period: 02/01/2015-02/28/2015	7,394.01
RCM Revenue	February 2015	Invoice	03/02/2015 3601	02/01/2015-02/28/2015	Hem Care Medical Clinic PC	Medical Billing for the period: 02/01/2015-02/28/2015	748.12
RCM Revenue	February 2015	Invoice	03/02/2015 3601	02/01/2015-02/28/2015	Hem Care Medical Clinic PC	Direct Patient Payments	-420.86
RCM Revenue	February 2015	Invoice	03/02/2015 3599	02/01/2015-02/28/2015	Geriatrics Association of New Jersey	Direct Patient Payments	-71.78
RCM Revenue	February 2015	Invoice	03/02/2015 3602	02/01/2015-02/28/2015	Anita-Key Martin M.D., P.C.	Commercial, Government, and all other collections exclusive of Medicaid	1,718.18
RCM Revenue	February 2015	Invoice	03/02/2015 3602	02/01/2015-02/28/2015	Anita-Key Martin M.D., P.C.	Direct Patient Payments	-14.55
RCM Revenue	February 2015	Invoice	03/02/2015 3603	02/01/2015-02/28/2015	Paul Kleinman	Medical Billing Services (Excluding Medicaid Collections)	2,230.91
RCM Revenue	February 2015	Invoice	03/02/2015 3603	02/01/2015-02/28/2015	Paul Kleinman	Medicaid Claims Processing per Procedure Billed	24.00
RCM Revenue	February 2015	Invoice	03/04/2015 3604	02/01/2015-02/28/2015	Queens Arthroscopy and Sports Medicine	Workers' Compensation collections	2,209.42
RCM Revenue	February 2015	Invoice	03/04/2015 3604	02/01/2015-02/28/2015	Queens Arthroscopy and Sports Medicine	Commercial and Medicare claims collections	382.61
RCM Revenue	February 2015	Invoice	03/04/2015 3606	02/01/2015-02/28/2015	Internal Medicine Associates	Transcriptions Services for the billing period: 02/01/2015-02/28/2015	2,861.80
RCM Revenue	February 2015	Invoice	03/04/2015 3606	02/01/2015-02/28/2015	Internal Medicine Associates	Transcriptions Services for the billing period: 02/01/2015-02/28/2015	352.20
RCM Revenue	February 2015	Invoice	03/04/2015 3611	02/01/2015-02/28/2015	Rais Medical Health P.C.	Procedures for 02/01/2015-02/28/2015	4,400.00
RCM Revenue	February 2015	Invoice	03/04/2015 3612	02/01/2015-02/28/2015	Queens Medical Pavilion	Total Amount of Hours Spent for the period: 02/01/2015-02/28/2015	325.00
RCM Revenue	February 2015	Invoice	03/04/2015 3613	02/01/2015-02/28/2015	Sperling Radiology P.C.	New Patient Laser Ablation Procedures	1,000.00
RCM Revenue	February 2015	Invoice	03/04/2015 3613	02/01/2015-02/28/2015	Sperling Radiology P.C.	Patient Consult & Other Testing	825.00
RCM Revenue	February 2015	Invoice	03/04/2015 3614	02/01/2015-02/28/2015	Midtown Physical Medicine P.C.	Total Amount of Hours Spent for the period: 02/01/2015-02/28/2015	862.50
RCM Revenue	February 2015	Invoice	03/04/2015 3615	02/01/2015-02/28/2015	John Gallagher MD P.C.	Commercial, Government, and all other collections exclusive of Medicaid	1,009.09
RCM Revenue	February 2015	Invoice	03/04/2015 3613	02/01/2015-02/28/2015	Sperling Radiology P.C.	Credit Card Processing Fee for Invoice# 3613	54.75
RCM Revenue	February 2015	Invoice	03/05/2015 3616	02/01/2015-02/28/2015	MEDSTAR	Private Processed Claims for: 02/01/2015-02/28/2015	16.50
RCM Revenue	February 2015	Invoice	03/05/2015 3618	02/01/2015-02/28/2015	MEDSTAR	No-Fault & Workers' Compensation Collections for the period: 02/01/2015-02/28/2015	990.44
RCM Revenue	February 2015	Invoice	03/05/2015 3616	02/01/2015-02/28/2015	MEDSTAR	Consignment Billing - Client Collections for the period: 02/01/2015-02/28/2015	841.18
RCM Revenue	February 2015	Invoice	03/05/2015 3616	02/01/2015-02/28/2015	MEDSTAR	Medicaid Secondary Collections for the period: 02/01/2015-02/28/2015	1,266.48
RCM Revenue	February 2015	Invoice	03/09/2015 3621	02/01/2015-02/28/2015	Lerman Diagnostic Imaging	Collections, exclusive of Medicaid, as per the billing period: 02/01/2015-02/28/2015	13,991.01
RCM Revenue	February 2015	Invoice	03/10/2015 3620	02/25/2015-03/10/2015	Electrophysiology Medical Diagnostic PC	Billing and Collections Services for the period: 02/25/2015-03/10/2015	5,936.31
RCM Revenue	February 2015	Invoice	03/23/2015 3642	02/01/2015-02/28/2015	Doctors United Inc.:Jayaram Medical PC	Count of Visits for the billing period of: 02/01/2015-02/28/2015	3,174.50
RCM Revenue	February 2015	Invoice	03/23/2015 3643	02/01/2015-02/28/2015	Doctors United Inc.:Jayaram Medical PC	Collection Services for Claims with DOS Prior to 08/01/2013	20.60
RCM Revenue	February 2015	Invoice	03/23/2015 3643	02/01/2015-02/28/2015	Doctors United Inc.:Greater NY PT & Chiropractic PLLC	Count of Visits for the billing period of: 02/01/2015-02/28/2015	5,512.50
RCM Revenue	February 2015	Invoice	03/23/2015 3644	02/01/2015-02/28/2015	Doctors United Inc.:GFG Medical P.C.	Count of Visits for the billing period of: 02/01/2015-02/28/2015	3,045.00
RCM Revenue	February 2015	Invoice	03/23/2015 3645	02/01/2015-02/28/2015	Doctors United Inc.:Mid-Hudson Comprehensive Medical & Diagno	Count of Visits for the billing period of: 02/01/2015-02/28/2015	2,229.50
RCM Revenue	February 2015	Invoice	03/23/2015 3646	02/01/2015-02/28/2015	Doctors United Inc.	Count of Visits for the billing period of: 02/01/2015-02/28/2015	19,379.50
RCM Revenue	February 2015	Invoice	03/23/2015 3646	02/01/2015-02/28/2015	Doctors United Inc.	Collection Services for Claims with DOS Prior to 08/01/2013	682.94
RCM Revenue	February 2015	Invoice	03/31/2015 3649	02/01/2015-02/28/2015	Doshi Diagnostic	Salary Invoices for Former DIG Employees	60,000.00
RCM Revenue	February 2015	Invoice	03/31/2015 3650	02/01/2015-02/28/2015	Doshi Diagnostic	Medical Billing & Collection Services for the month of February 2015 February 2015 Revenue: \$4,...	153,069.88
RCM Revenue	February 2015	Invoice	03/31/2015 3650	02/01/2015-02/28/2015	Doshi Diagnostic	Salary	-60,000.00
RCM Revenue	February 2015	Invoice	03/31/2015 3650	02/01/2015-02/28/2015	Doshi Diagnostic	Postage	-881.00
RCM Revenue	February 2015	Invoice	03/31/2015 3650	02/01/2015-02/28/2015	Doshi Diagnostic	Missed Eligibility	1,211.50
RCM Revenue	February 2015	Invoice	03/31/2015 3650	02/01/2015-02/28/2015	Doshi Diagnostic	Accounting	2,070.00
RCM Revenue	February 2015	Invoice	03/31/2015 3650	02/01/2015-02/28/2015	Doshi Diagnostic	Meaningful Use Data	3,105.00
RCM Revenue	February 2015	Invoice	03/31/2015 3650	02/01/2015-02/28/2015	Doshi Diagnostic	Additional Resources Compliance	8,280.00
RCM Revenue	February 2015	Invoice	03/31/2015 3650	02/01/2015-02/28/2015	Doshi Diagnostic	DIG Queens Transcriptions	54,804.60
RCM Revenue	February 2015	Invoice	03/31/2015 3650	02/01/2015-02/28/2015	Doshi Diagnostic	DIG Brooklyn Transcriptions	10,963.30
RCM Revenue	February 2015	Invoice	03/31/2015 3650	02/01/2015-02/28/2015	Doshi Diagnostic	No-Fault Billing Services as per PARCS report - AutoRx	2,468.35
RCM Revenue	February 2015	Invoice	03/31/2015 3650	02/01/2015-02/28/2015	Doshi Diagnostic	No-Fault & Workers' Compensation Billing Services as per PARCS report	5,765.20
RCM Revenue	February 2015	Invoice	03/31/2015 3650	02/01/2015-02/28/2015	Doshi Diagnostic	No-Fault Billing Services as per PARCS report - Tangent NF DOS prior to 12/31/2013	3.13
RCM Revenue	February 2015	Invoice	03/31/2015 3652	01/01/2015-02/28/2015	Stuart Remer, MD	Medical Billing Services for: 01/01/2015-02/28/2015	77.54

RCM Revenue	February 2015	Invoice	03/31/2015	3648	02/01/2015-02/28/2015	Tri-State Imaging Consultants LLC
RCM Revenue	February 2015	Invoice	04/24/2015	3751	02/01/2015-02/28/2015	MEDSTAR
PCA Revenue	February 2015	Invoice	03/13/2015	T0006	12/04/2015-03/06/2015	Tutella Plastic Surgery
PCA Revenue	February 2015	Invoice	03/13/2015	C0024	02/12/2015-03/10/2015	Kevin Cho, M.D
PCA Revenue	February 2015	Invoice	03/13/2015	Kel0016	02/09/2015-02/18/2015	Adam Kolker, M.D.
PCA Revenue	February 2015	Invoice	03/13/2015	H0057	02/06/2015-02/18/2015	Joshua B. Hyman, M.D
PCA Revenue	February 2015	Invoice	03/13/2015	DK024	01/29/2015-02/06/2015	Dev Kolker, M.D.
PCA Revenue	February 2015	Invoice	03/13/2015	C10037	02/09/2015-03/03/2015	Ross Cooperman, M. D
PCA Revenue	February 2015	Invoice	03/13/2015	R010	02/01/2015-02/27/2015	David Rapoport, M.D.
PCA Revenue	February 2015	Invoice	03/13/2015	Fr064	02/01/2015-02/28/2015	Kenneth Francis, M.D.
PCA Revenue	February 2015	Invoice	03/13/2015	1276PCA	02/03/2015-02/27/2015	Joseph DeBellis, M.D
PCA Revenue	February 2015	Invoice	03/13/2015	B0031	02/01/2015-02/28/2015	James Brady, M.D.
PCA Revenue	February 2015	Invoice	03/13/2015	C0028	02/01/2015-02/12/2015	Glenn Cavanagh C.R.N.A.
PCA Revenue	February 2015	Invoice	03/13/2015	PAR11	01/28/2015-02/22/2015	Paragon Emergency Medicine
PCA Revenue	February 2015	Invoice	03/13/2015	N0012	02/07/2015	Peter Neumann, M.D
PCA Revenue	February 2015	Invoice	03/13/2015	1029PCA	02/02/2015-03/01/2015	Jimmy Sung M.D.
PCA Revenue	February 2015	Invoice	03/18/2015	A10120	02/03/2015-03/08/2015	Frank Adipietro, M.D
PCA Revenue	February 2015	Invoice	03/18/2015	Sen006	01/28/2015-03/03/2015	Park Avenue Anesthesia Surgery
PCA Revenue	February 2015	Invoice	03/18/2015	S0034	02/01/2015-02/27/2015	Eliot Singer, M.D.
PCA Revenue	February 2015	Invoice	03/18/2015	Sch80	01/21/2015-03/11/2015	Mark Schwartz, M.D.
PCA Revenue	February 2015	Invoice	03/18/2015	W00017	02/02/2015-03/03/2015	John Stuart Guarnieri, M.D.
PCA Revenue	February 2015	Invoice	03/18/2015	N039	02/11/2015-03/05/2015	Scott Newman
PCA Revenue	February 2015	Invoice	03/18/2015	SH053	02/18/2015-02/28/2015	John E Sherman, M.D.
PCA Revenue	February 2015	Invoice	03/18/2015	Red033	02/28/2015-03/07/2015	Jeremiah Redstone, M.D
PCA Revenue	February 2015	Invoice	03/18/2015	Main0156	02/01/2015-02/28/2015	Maine Line Plastic Surgery
PCA Revenue	February 2015	Invoice	03/18/2015	H0001PCA	02/01/2015-02/07/2015	Yael Holas, M.D
PCA Revenue	February 2015	Invoice	03/18/2015	MMC1022	02/01/2015-02/28/2015	Maimonides Medical Center
PCA Revenue	February 2015	Invoice	03/18/2015	ELJP00135	02/08/2015-03/10/2015	Eastern LI Physicians Services
PCA Revenue	February 2015	Invoice	03/18/2015	ELJH49	01/15/2015-03/03/2015	Eastern LI CRNA Services
PCA Revenue	February 2015	Invoice	03/18/2015	P0014	02/16/2015-02/18/2015	James Pearson, M.D.
PCA Revenue	February 2015	Invoice	03/18/2015	BVS1046	02/01/2015-02/24/2015	Gillian Shepherd, M.D/ Daniel Burton, M.D
PCA Revenue	February 2015	Invoice	03/18/2015	Korn022	02/22/2015-02/26/2015	Andrew Kornstein
PCA Revenue	February 2015	Invoice	03/18/2015	Park15	02/08/2015-02/28/2015	Haiang Chen, M.D
PCA Revenue	February 2015	Invoice	03/18/2015	C1022	01/08/2015-02/28/2015	John Olivera
PCA Revenue	February 2015	Invoice	03/18/2015	Lloy0032	01/21/2015-02/28/2015	Lloyd Gayle, M.D
PCA Revenue	February 2015	Invoice	03/18/2015	H0047	02/01/2015-02/17/2015	Lloyd Hoffman, M.D
PCA Revenue	February 2015	Invoice	03/17/2015	H0001	02/09/2015-03/10/2015	G. Courtney Houston, M.D
PCA Revenue	February 2015	Invoice	03/17/2015	B001	02/01/2015-02/28/2015	The Breslow Center for Plastic Surgery
PCA Revenue	February 2015	Invoice	03/17/2015	3062PCA	01/29/2015-02/18/2015	Edmund K. Kwan, M.D
PCA Revenue	February 2015	Invoice	03/17/2015	MMC1022A	02/01/2015-02/28/2015	Maimonides Medical Center
PCA Revenue	February 2015	Invoice	03/18/2015	M0026	02/14/2015-02/28/2015	Melinda Mingus, M.D.
PCA Revenue	February 2015	Invoice	03/18/2015	Mun0008	02/01/2015-02/20/2015	Advanced Plastic Surgery
PCA Revenue	February 2015	Invoice	04/10/2015	3688	02/01/2015-03/28/2015	Robert Silich, M.D.
PCA Revenue	February 2015	Invoice	04/10/2015	3691	01/22/2015-03/15/2015	Steven Levine/Daniel Baker, M.D.

Medical Billing & Collection Services for the month of February of 2015	February 2015 Revenue: ...	466.57
Active Collections over 30 days after DOS for the period: 02/01/2015-02/28/2015		12,408.48
Total AR Collections for the period: 12/04/2015-03/08/2015		120.20
Commissions Due on attached Receipts (\$175,498.72)		9,384.35
Total AR Collections for the period: 02/08/2015-02/18/2015		5,734.20
Commissions due on receipts (\$7,015.82)		478.38
Total AR Collections for the period: 01/28/2015-02/08/2015		362.24
Total AR Collections for the period: 02/09/2015-03/03/2015		824.00
Total AR Collections for the period: 02/01/2015-02/27/2015		1,750.02
Total AR Collections for the period: 02/01/2015-02/28/2015		1,065.18
Total AR Collections for the period: 02/03/2015-02/27/2015		4,818.84
Total AR Collections for the period: 02/01/2015-02/28/2015		5,823.60
Total AR Collections for the period: 02/01/2015-02/12/2015		378.82
Total AR Collections for the period: 01/26/2015-02/22/2015		8,901.04
Commissions due on attached Receipts (\$2,073.81)		124.42
Total AR Collections for the period: 02/02/2015-03/01/2015		7,526.07
Total AR Collections for the period: 02/03/2015-03/09/2015		15,046.99
Total AR Collections for the period: 01/28/2015-03/03/2015		854.64
Total AR Collections for the period: 02/01/2015-02/27/2015		420.20
Total AR Collections for the period: 01/21/2015-03/11/2015		1,265.48
Total AR Collections for the period: 02/02/2015-03/03/2015		212.63
Total AR Collections for the period: 02/11/2015-03/05/2015		6,108.58
Commissions due on attached receipts (\$97,634.00)		5,435.44
Total AR Collections for the period: 02/28/2015-03/07/2015		4,017.24
Total AR Collections for the period: 02/01/2015-02/28/2015		3,410.67
Total AR Collections for the period: 02/01/2015-02/07/2015		523.28
Commissions due on attached receipts for February(123,807.42)		7,580.16
Commissions due on attached Receipts (\$78,050.40)		4,991.82
Commissions due on attached Receipts (\$86,874.21)		3,446.29
Total AR Collections for the period: 02/16/2015-02/18/2015		1,309.92
Total AR Collections for the period: 11/01/2014-11/30/2014		2,253.44
Total AR Collections for the period: 02/22/2015-02/28/2015		4,598.95
Total AR Collections for the period: 02/08/2015-02/26/2015		3,411.19
Total AR Collections for the period: 01/06/2015-02/26/2015		154.24
Commissions due on attached Receipts (\$105,757.29)		5,011.32
Total AR Collections for the period: 02/01/2015-02/17/2015		1,828.25
Total AR Collections for the period: 02/08/2015-03/10/2015		753.81
Total AR Collections for the period: 02/01/2015-02/28/2015		4,103.81
Total AR Collections for the period: 01/29/2015-02/16/2015		85.50
Authorizations for November 1%		981.19
		174.31
		108.26
Total AR Collections for the period: 02/01/2015-03/28/2015		84.18
Total AR Collections for the period: 01/22/2015-03/15/2015		4,239.40

738,695.16 2,990.70 2,578.37

AP- Feb 28, 2015

Type	Date	Num	Name	Due Date	Open Balance	in Balance as of Apr 5 2
Bill	12/31/2014	115968	Abrams Fensterman	01/30/2015	1,250.00	1,250.00
Bill	11/30/2014	114851	Abrams Fensterman	12/30/2014	1,960.00	1,960.00
Bill	10/31/2014	113541	Abrams Fensterman	11/30/2014	2,500.00	2,500.00
Bill	08/31/2014	111039	Abrams Fensterman	09/30/2014	2,500.00	0.00
Bill	09/30/2014	112491	Abrams Fensterman	10/30/2014	4,920.00	0.00
Bill	02/28/2015	150694886	Acc Business	04/26/2015	1,338.51	0.00
Bill	04/27/2014	141004886	Acc Business	05/27/2014	1,338.51	0.00
Bill	12/11/2014	0000119	Adaptive Graphics (P.C.A)	12/21/2014	500.00	0.00
Bill	02/28/2015	028324	Aflac New York	03/15/2015	1,037.92	0.00
Bill	01/28/2015	004895	Aflac New York	02/15/2015	877.32	0.00
Bill	06/14/2013	39041	Alliant Group, LP	07/14/2013	4,509.30	0.00
Bill	02/25/2015	30082623-1028	Aon Service Corporation	03/07/2015	20,190.71	0.00
Bill	01/28/2015	30082623-1013	Aon Service Corporation	02/07/2015	20,190.71	0.00
Bill	02/04/2015	309521	Associated Supply Company	03/21/2015	75.00	0.00
Bill	02/16/2015	6150	Atlantic Imaging, LLC	02/26/2015	3,031.93	0.00
Bill	01/31/2015	2015-01P	Avramych Consulting Inc.	03/10/2015	950.00	0.00
Bill	02/28/2015	2015-02P	Avramych Consulting Inc.	03/30/2015	850.00	0.00
Bill	12/31/2014	2014-12P	Avramych Consulting Inc.	02/07/2015	850.00	0.00
Bill	01/29/2015	01292015	Bibi Pillay	02/28/2015	2,333.33	0.00
Bill	02/28/2015	03272015	Bibi Pillay	03/30/2015	2,333.33	0.00
Bill	12/29/2014	12292014	Bibi Pillay	01/28/2015	2,333.33	0.00
Bill	01/30/2015	1302015	Christine Cohen	01/30/2015	83.17	0.00
Bill	02/23/2015	02232015	Christine Cohen	02/23/2015	2,365.47	0.00
Bill	12/31/2014	12312014	Christine Cohen	12/31/2014	1,340.66	0.00
Bill	01/31/2015	8120085286	Cintas	03/10/2015	480.98	0.00
Bill	02/28/2015	8120085287	Cintas	03/30/2015	240.84	0.00
Bill	02/23/2015	10546	Courtesy Express	02/28/2015	37.80	0.00
Bill	02/01/2015	107376	Criteria, LLC	03/03/2015	8,265.00	8,265.00
Bill	02/01/2015	91872	Dealers First Financial L.L.C	02/10/2015	553.99	0.00
Bill	02/20/2015	140	Decimal Cloud Technologies Inc	03/01/2015	2,000.00	0.00
Bill	02/07/2015	77791259	Dell Financial Services-001-6566692-000	02/17/2015	5,323.58	0.00
Bill	01/31/2015	150783	Diamond Healthcare Communications	03/04/2015	1,150.24	0.00
Bill	02/28/2015	153635	Diamond Healthcare Communications	04/01/2015	298.26	0.00
Bill	12/31/2014	149223	Diamond Healthcare Communications	02/01/2015	840.07	0.00
Bill	12/01/2014	147065	Diamond Healthcare Communications	12/31/2014	1,728.88	0.00
Bill	02/28/2015	84/2015	E4E HealthCare Business Services (PCA)	03/27/2015	1,373.00	0.00
Bill	01/31/2015	23/2015	E4E HealthCare Business Services (PCA)	02/17/2015	992.00	0.00
Bill	02/09/2015	2656113	Element Financial Corp.	03/01/2015	686.04	0.00
Bill	01/22/2015	2639962	Element Financial Corp.	02/15/2015	2,137.28	0.00
Bill	02/24/2015	2663800	Element Financial Corp.	02/15/2015	2,137.28	0.00
Bill	01/31/2015	424401	Emdeon	02/28/2015	130.00	0.00
Bill	01/31/2015	424404	Emdeon	02/28/2015	260.00	0.00
Bill	01/31/2015	424403	Emdeon	02/28/2015	130.00	0.00
Bill	01/31/2015	424416	Emdeon	02/28/2015	130.00	0.00
Bill	01/31/2015	424297	Emdeon	02/28/2015	350.00	0.00
Bill	01/31/2015	424296	Emdeon	02/28/2015	130.00	0.00
Bill	01/31/2015	424294	Emdeon	02/28/2015	140.00	0.00
Bill	01/31/2015	424293	Emdeon	02/28/2015	770.00	0.00
Bill	01/31/2015	424407	Emdeon	02/28/2015	560.00	0.00
Bill	01/31/2015	424316	Emdeon	02/28/2015	260.00	0.00
Bill	01/31/2015	424311	Emdeon	02/28/2015	130.00	0.00
Bill	01/31/2015	424308	Emdeon	02/28/2015	350.00	0.00
Bill	01/31/2015	424309	Emdeon	02/28/2015	130.00	0.00
Bill	01/31/2015	424791	Emdeon	02/28/2015	130.00	0.00

Bill	01/31/2015 424332	Emdeon	02/28/2015	130.00	0.00
Bill	01/31/2015 424328	Emdeon	02/28/2015	130.00	0.00
Bill	01/31/2015 424327	Emdeon	02/28/2015	130.00	0.00
Bill	01/31/2015 424320	Emdeon	02/28/2015	130.00	0.00
Bill	01/31/2015 424312	Emdeon	02/28/2015	770.00	0.00
Bill	01/31/2015 424295	Emdeon	02/28/2015	130.00	0.00
Bill	01/31/2015 424317	Emdeon	02/28/2015	260.00	0.00
Bill	01/31/2015 424402	Emdeon	02/28/2015	130.00	0.00
Bill	01/31/2015 417924	Emdeon	03/02/2015	754.70	0.00
Bill	01/31/2015 421299	Emdeon	03/02/2015	420.00	0.00
Bill	01/31/2015 421679	Emdeon	03/02/2015	140.00	0.00
Bill	02/28/2015 435602	Emdeon	03/10/2015	130.00	0.00
Bill	02/28/2015 435917	Emdeon	03/10/2015	130.00	0.00
Bill	02/28/2015 435622	Emdeon	03/10/2015	130.00	0.00
Bill	02/28/2015 435618	Emdeon	03/10/2015	130.00	0.00
Bill	02/28/2015 435615	Emdeon	03/10/2015	130.00	0.00
Bill	02/28/2015 435604	Emdeon	03/10/2015	130.00	0.00
Bill	02/28/2015 435603	Emdeon	03/10/2015	770.00	0.00
Bill	02/28/2015 435592	Emdeon	03/10/2015	130.00	0.00
Bill	02/28/2015 435590	Emdeon	03/10/2015	130.00	0.00
Bill	02/28/2015 438555	Emdeon	03/10/2015	210.00	0.00
Bill	02/28/2015 435584	Emdeon	03/10/2015	130.00	0.00
Bill	02/28/2015 435608	Emdeon	03/10/2015	130.00	0.00
Bill	02/28/2015 435577	Emdeon	03/10/2015	130.00	0.00
Bill	02/28/2015 435580	Emdeon	03/10/2015	350.00	0.00
Bill	02/28/2015 438773	Emdeon	03/10/2015	70.00	0.00
Bill	02/28/2015 435572	Emdeon	03/10/2015	130.00	0.00
Bill	02/28/2015 435574	Emdeon	03/10/2015	260.00	0.00
Bill	02/28/2015 435576	Emdeon	03/10/2015	130.00	0.00
Bill	02/28/2015 435581	Emdeon	03/10/2015	130.00	0.00
Bill	02/28/2015 435583	Emdeon	03/10/2015	350.00	0.00
Bill	02/28/2015 435587	Emdeon	03/10/2015	130.00	0.00
Bill	02/28/2015 435586	Emdeon	03/10/2015	140.00	0.00
Bill	02/28/2015 435578	Emdeon	03/10/2015	770.00	0.00
Bill	02/28/2015 435599	Emdeon	03/10/2015	260.00	0.00
Bill	02/28/2015 435598	Emdeon	03/10/2015	130.00	0.00
Bill	02/28/2015 435579	Emdeon	03/10/2015	130.00	0.00
Bill	02/28/2015 435595	Emdeon	03/30/2015	350.00	0.00
Bill	02/28/2015 430242	Emdeon	03/30/2015	866.70	0.00
Bill	02/28/2015 438841	Emdeon	03/30/2015	420.00	0.00
Bill	02/28/2015 438946	Emdeon	03/30/2015	140.00	0.00
Bill	12/31/2014 410927	Emdeon	01/29/2015	770.00	0.00
Bill	12/31/2014 410914	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 410898	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 405201	Emdeon	01/30/2015	878.13	0.00
Bill	12/31/2014 410906	Emdeon	01/30/2015	260.00	0.00
Bill	12/31/2014 410908	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 410907	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 410918	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 410935	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 410952	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 410922	Emdeon	01/30/2015	260.00	0.00
Bill	12/31/2014 410897	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 410893	Emdeon	01/30/2015	770.00	0.00
Bill	12/31/2014 410901	Emdeon	01/30/2015	130.00	0.00

Bill	12/31/2014 410889	Emdeon	01/30/2015	140.00	0.00
Bill	12/31/2014 410911	Emdeon	01/30/2015	350.00	0.00
Bill	12/31/2014 410928	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 410925	Emdeon	01/30/2015	350.00	0.00
Bill	12/31/2014 410933	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 410930	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 410936	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 410923	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 410934	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 410926	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 414031	Emdeon	01/30/2015	70.00	0.00
Bill	12/31/2014 410956	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 414118	Emdeon	01/30/2015	210.00	0.00
Bill	12/31/2014 410912	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 410947	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 411912	Emdeon	01/30/2015	130.00	0.00
Bill	12/31/2014 414144	Emdeon	01/30/2015	140.00	0.00
Bill	01/31/2015 421335	Emdeon	02/10/2015	70.00	0.00
Bill	01/31/2015 424405	Emdeon	02/10/2015	630.00	0.00
Bill	01/31/2015 424298	Emdeon	02/10/2015	130.00	0.00
Bill	01/31/2015 424300	Emdeon	02/10/2015	130.00	0.00
Bill	01/31/2015 421654	Emdeon	02/10/2015	210.00	0.00
Bill	11/30/2014 398195	Emdeon	12/30/2014	130.00	0.00
Bill	11/30/2014 401431	Emdeon	12/30/2014	210.00	0.00
Bill	11/30/2014 398182	Emdeon	12/30/2014	130.00	0.00
Bill	11/30/2014 398532	Emdeon	12/30/2014	130.00	0.00
Bill	11/30/2014 398168	Emdeon	12/30/2014	130.00	0.00
Bill	11/30/2014 398166	Emdeon	12/30/2014	260.00	0.00
Bill	11/30/2014 399351	Emdeon	12/30/2014	130.00	0.00
Bill	11/30/2014 401454	Emdeon	12/30/2014	140.00	0.00
Bill	11/30/2014 398198	Emdeon	12/31/2014	260.00	0.00
Bill	12/01/2014 398172	Emdeon	12/31/2014	130.00	0.00
Bill	12/01/2014 398180	Emdeon	12/31/2014	130.00	0.00
Bill	12/31/2014 410894	Emdeon	01/10/2015	560.00	0.00
Bill	12/31/2014 410902	Emdeon	01/10/2015	630.00	0.00
Bill	12/31/2014 411090	Emdeon	01/10/2015	130.00	0.00
Bill	12/31/2014 4522	Evans Marketing, Inc.	05/01/2015	100.38	0.00
Bill	12/31/2014 4523	Evans Marketing, Inc.	05/01/2015	953.22	0.00
Bill	12/31/2014 4506	Evans Marketing, Inc.	02/04/2015	2,535.18	0.00
Bill	01/31/2015 246	Excel Computer Network	03/03/2015	7,650.00	0.00
Bill	02/28/2015 247	Excel Computer Network	04/01/2015	6,449.00	0.00
Bill	12/31/2014 245	Excel Computer Network	01/31/2015	8,986.00	0.00
Bill	12/01/2014 244	Excel Computer Network	12/11/2014	10,936.00	0.00
Bill	02/23/2015 2-947-32425	Fed Ex	03/10/2015	155.90	0.00
Bill	01/26/2015 2-918-28378	Fed Ex	02/10/2015	157.41	0.00
Bill	02/02/2015 88245	Fuoco Group	03/04/2015	1,250.00	0.00
Bill	12/30/2014 87725	Fuoco Group	01/29/2015	5,000.00	2,500.00
Bill	01/05/2015 87791	Fuoco Group	02/04/2015	1,250.00	0.00
Bill	11/03/2014 87032	Fuoco Group	12/03/2014	1,250.00	0.00
Bill	02/16/2015 1502163	Green Office Solutions (PCA)	03/03/2015	226.48	0.00
Bill	02/27/2015 1502279	Green Office Solutions (PCA)	03/14/2015	107.80	0.00
Bill	01/21/2015 1501211	Green Office Solutions (PCA)	02/05/2015	65.18	0.00
Bill	01/30/2015 1501305	Green Office Solutions (PCA)	02/14/2015	99.85	0.00
Bill	02/11/2015 1502112	Green Office Solutions (PCA)	02/26/2015	367.15	0.00
Bill	02/28/2015 8973	Harmony Health Care IT (PCA)	03/12/2015	870.70	0.00

Bill	02/01/2015 8644	Harmony Health Care IT (PCA)	02/01/2015	59.95	0.00
Bill	01/31/2015 8646	Harmony Health Care IT (PCA)	02/12/2015	655.55	0.00
Bill	02/27/2015 8497	Harmony Health Care IT (PCA)	02/27/2015	4,000.00	0.00
Bill	01/01/2015 8421	Harmony Health Care IT (PCA)	01/01/2015	59.95	0.00
Bill	12/31/2014 8422	Harmony Health Care IT (PCA)	01/12/2015	814.40	0.00
Bill	07/03/2014 0002485	H-DOX	07/03/2014	1,800.00	0.00
Bill	10/31/2014 0002497	H-DOX	11/10/2014	1,440.00	0.00
Bill	02/28/2015 961	IHCFA LLC	03/30/2015	3,205.00	0.00
Bill	01/31/2015 15D0173283	IVANS, INC.	03/02/2015	66.80	0.00
Bill	02/28/2015 15D0173396	IVANS, INC.	04/02/2015	66.80	0.00
Bill	01/31/2015 31530	J2 Global Communications	03/02/2015	148.50	0.00
Bill	02/28/2015 32104	J2 Global Communications	03/30/2015	151.30	0.00
Bill	02/28/2015 2252015	Jessica Lydon	03/10/2015	116.00	0.00
Bill	02/05/2015 2418701134	Lackmann Culinary Services	02/05/2015	7.50	0.00
Bill	01/01/2015 2418701109	Lackmann Culinary Services	01/01/2015	22.64	0.00
Bill	01/01/2015 2418701114	Lackmann Culinary Services	01/11/2015	6.35	0.00
Bill	01/22/2015 2418701122	Lackmann Culinary Services	01/22/2015	13.58	0.00
Bill	11/13/2014 2418701075	Lackmann Culinary Services	11/13/2014	6.79	0.00
Bill	11/20/2014 2418701082	Lackmann Culinary Services	11/20/2014	17.26	0.00
Bill	11/27/2014 2418701086	Lackmann Culinary Services	11/27/2014	12.82	0.00
Bill	02/18/2015 31281	Long Island Office Equipment (PCA)	03/10/2015	203.67	0.00
Bill	01/28/2015 31271	Long Island Office Equipment (PCA)	02/17/2015	323.50	0.00
Bill	02/16/2015 13048914	Marlin Business Bank (PCA)	02/16/2015	320.45	0.00
Bill	01/19/2015 12980988	Marlin Business Bank (PCA)	01/19/2015	408.95	0.00
Bill	01/30/2015 8908947	Medical Arts Press (PCA)	02/09/2015	185.71	0.00
Bill	01/20/2015 8872653	Medical Arts Press (PCA)	02/19/2015	195.48	0.00
Bill	02/28/2015 5095	Michael A. Markowitz P.C.	03/02/2015	5,472.64	0.00
Bill	02/28/2015 5117	Michael A. Markowitz P.C.	03/31/2015	17.42	0.00
Bill	02/28/2015 5118	Michael A. Markowitz P.C.	03/31/2015	33.98	0.00
Bill	02/17/2015 NYAR77945	Neopost	03/19/2015	42.36	0.00
Bill	02/20/2015 02202015	Optimum Business #07801-498474	03/07/2015	288.25	0.00
Bill	01/31/2015 18103116	Optimum Lightpath #46874	03/03/2015	3,022.16	0.00
Bill	02/28/2015 18225117	Optimum Lightpath #46874	03/31/2015	3,030.23	0.00
Bill	02/28/2015 1001121	Panacea	03/13/2015	900.00	0.00
Bill	01/30/2015 01302015	PC Advantage Inc.	01/30/2015	742.90	0.00
Bill	02/20/2015 02202015	PC Advantage Inc.	02/20/2015	1,315.69	0.00
Bill	01/31/2015 02112015	Pitney Bowes (PCA)	03/10/2015	1,941.59	0.00
Bill	02/28/2015 03112015	Pitney Bowes (PCA)	03/21/2015	1,254.48	0.00
Bill	12/31/2014 01112015	Pitney Bowes (PCA)	02/08/2015	1,594.71	0.00
Bill	02/26/2015 022615	PSEG (PCA)	03/08/2015	356.13	0.00
Bill	02/26/2015 02262015	PSEG (PCA)	03/08/2015	355.51	0.00
Bill	01/23/2015 01232015	PSEG (PCA)	02/02/2015	342.69	0.00
Bill	01/23/2015 012315	PSEG (PCA)	02/15/2015	343.31	0.00
Bill	02/20/2015 172	Ramatech	02/20/2015	6,000.00	0.00
Bill	02/18/2015 MM11899	Ringhoff's Fuel Oil Co, Inc (PCA)	03/20/2015	410.99	0.00
Bill	02/18/2015 MM11898	Ringhoff's Fuel Oil Co, Inc (PCA)	03/20/2015	618.48	0.00
Bill	02/25/2015 18633	Ringhoff's Fuel Oil Co, Inc (PCA)	03/26/2015	238.92	0.00
Bill	02/25/2015 18632	Ringhoff's Fuel Oil Co, Inc (PCA)	03/27/2015	238.92	0.00
Bill	01/31/2015 MM11121	Ringhoff's Fuel Oil Co, Inc (PCA)	02/10/2015	295.65	0.00
Bill	01/31/2015 MM11122	Ringhoff's Fuel Oil Co, Inc (PCA)	02/10/2015	454.06	0.00
Bill	12/31/2014 3194	Sean R. Callagy, Esq. LLC	01/10/2015	4,400.00	0.00
Bill	01/31/2015 201202-4906	Sequel Systems	02/28/2015	1,480.80	0.00
Bill	02/28/2015 201202-5188	Sequel Systems	04/28/2015	1,378.20	0.00
Bill	02/01/2015 201202-4771	Sequel Systems	01/30/2015	2,468.50	0.00
Bill	12/31/2014 201202-4772	Sequel Systems	01/15/2015	1,565.40	0.00

Bill	12/12/2014 201202-4632	Sequel Systems	12/22/2014	1,499.25	0.00
Bill	02/21/2015 02212015	Slomins (PCA)	03/03/2015	104.12	0.00
Bill	01/05/2015 139940	Spectrum Designs	01/20/2015	491.70	0.00
Bill	02/28/2015 28	SRM ADVISORS INC	03/13/2015	6,400.00	0.00
Bill	01/26/2015 25	SRM ADVISORS INC	02/05/2015	6,400.00	0.00
Bill	01/31/2015 3256123575	Staples	03/02/2015	488.65	0.00
Bill	01/31/2015 3256123573	Staples	03/02/2015	8.20	0.00
Bill	01/31/2015 3256123574	Staples	03/02/2015	61.91	0.00
Bill	01/31/2015 3256123570	Staples	03/02/2015	29.30	0.00
Bill	02/07/2015 3256813424	Staples	03/09/2015	1,722.04	0.00
Bill	02/07/2015 3256813423	Staples	03/09/2015	28.64	0.00
Bill	02/07/2015 3256813422	Staples	03/09/2015	63.76	0.00
Bill	02/07/2015 3256813421	Staples	03/09/2015	197.93	0.00
Bill	02/21/2015 3257903654	Staples	03/23/2015	286.55	0.00
Bill	02/28/2015 8033456030	Staples	03/30/2015	621.36	0.00
Bill	02/28/2015 8033800600	Staples	04/27/2015	902.64	0.00
Bill	02/06/2015 02062015	Suffolk County Water Authority (PCA)	02/16/2015	32.74	0.00
Bill	02/28/2015 452213	TGI OFFICE AUTOMATION	04/10/2015	523.63	0.00
Bill	02/24/2015 35676	Trans-Continental Credit & Collection	03/08/2015	216.40	0.00
Bill	02/10/2015 19284	Trans-Continental Credit & Collection	03/12/2015	25.00	0.00
Bill	02/24/2015 35604	Trans-Continental Credit & Collection	03/26/2015	72.75	0.00
Bill	02/24/2015 35590	Trans-Continental Credit & Collection	03/28/2015	166.06	0.00
Bill	12/30/2014 30759	Trans-Continental Credit & Collection	01/29/2015	577.50	0.00
Bill	01/28/2015 77072	Trans-Continental Credit & Collection	02/07/2015	50.00	0.00
Bill	01/28/2015 77056	Trans-Continental Credit & Collection	02/07/2015	778.50	0.00
Bill	02/10/2015 19280	Trans-Continental Credit & Collection	02/20/2015	82.69	0.00
Bill	01/28/2015 77054	Trans-Continental Credit & Collection	02/27/2015	6.25	0.00
Bill	01/28/2015 77057	Trans-Continental Credit & Collection	02/27/2015	25.00	0.00
Bill	02/22/2015 2222015	Verizon (PCA)	03/19/2015	78.58	0.00
Bill	01/22/2015 1222015	Verizon (PCA)	01/22/2015	82.19	0.00

TOTAL

257,988.46

16,475.00

AHMS-Revenue Adjustment

	2014 revenues	2015 Revenues - Jan-Jul	20% Adjustment to 2014 revenues	Purchase price adjustment
Canal Radiology	-	-	-	-
Centre Commons MRI & CT	-	-	-	-
Community Radiology of Virginia	-	-	-	-
Omaha Imaging	-	-	-	-
Open MRI of Daytona	-	-	-	-
Paramount Imaging Corporate	-	-	-	-
Park South Imaging Center	-	-	-	-
Presgar Imaging of Rockledge	-	-	-	-
Price Hoffman Stone & Associates:PHS	-	-	-	-
Price Hoffman Stone & Associates:PHS - Bayfront	-	-	-	-
Price Hoffman Stone & Associates:PHS - Baywalk	-	-	-	-
Price Hoffman Stone & Associates:PHS - Pinellas	-	-	-	-
Suncoast Imaging of Port Orange	-	-	-	-
University Open MRI of Augusta	-	-	-	-
USDL Pittsburgh Inc.	-	-	-	-
Central Nebraska Imaging	22,230	19,747	-	-
Clovis Open MRI	31,517	32,370	-	-
Dr. Joseph Peters	9,163	7,010	-	-
Impression Imaging	56,678	88,331	-	-
Khurana Radiology MD PA	12,371	36,763	-	-
Northeast Nebraska Imaging	22,001	22,108	-	-
Open MRI of Pueblo	67,133	79,719	-	-
Physicians Imaging Center of Florida	171,208	127,506	-	-
Precision Imaging of New York	138,328	197,549	-	-
Rosetta Radiology	175,829	213,192	-	-
White River Imaging	39,509	31,373	-	-
Accurate Medical Diagnostic Services	80,437	105,625	-	-
Advanced Medical Imaging	6,400	-	1,280	6,912.0
Altec	5,250	-	1,050	5,670.0
American Radiology Services	941	-	188	1,016.5
Atlantic Health Solutions	3,200	-	640	3,456.0
Diagnostic Imaging Associated, P.A	4,777	-	955	5,159.7
Pueblo Pediatrics/Parvin	6,206	-	1,241	6,702.8
Toledo Medical - MedPro Medical	5,145	-	1,029	5,557.0
Kettering Medical Center	33,000	-	6,600	35,640.0
Children's Clinic of Pueblo	54,527	-	10,905	58,889.5
Professional Radiology Associates	59,241	-	11,848	63,980.1
Professional Imaging Consultants	4,600	879	920	4,967.7
Suncoast Vein and Vascular	42,453	997	8,491	45,848.9
Price Hoffman Stone & Associates	103,112	5,410	20,622	111,360.5
InMed Diagnostic Services	507,475	26,276	101,495	548,072.5
BAB Radiology	448,669	32,419	89,734	484,563.0
Paramount Imaging Group	279,809	37,873	55,962	302,193.4
Total	2,391,209	1,065,148		1,689,989

EXHIBIT 3

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NASSAU

-----X
CRITERIONS, LLC,

Plaintiff,

-against-

VISIANT CORP. D/B/A PORTECK CORPORATION,
PHYSICIANS PRACTICE PLUS LLC D/B/A
PORTECK CORPORATION, ARVIND WALIA
D/B/A PORTECK CORPORATION,
CONSTELLATION HEALTHCARE
TECHNOLOGIES, INC.,

Defendants.

-----X
To the above named Defendants:

YOU ARE HEREBY SUMMONED to appear in the SUPREME COURT OF THE STATE OF NEW YORK, COUNTY OF NASSAU at the office of the Clerk of said Court at 100 Supreme Court Drive, Mineola, New York , in the COUNTY OF NASSAU, within the time provided by law as noted below and to file answer to the below complaint with the clerk: upon failure to answer, judgment will be taken against you by default in the sum of \$61,490.00 plus interest from February 1, 2015, together with the costs and disbursements of this action.

Dated: March 9, 2016

Port Chester, New York



Kavulich & Associates, P.C.

By: Matthew Kasper, Esq.

181 Westchester Ave., Suite 500-C

Port Chester, NY 10573

(914) 355-2074

Defendants' Addresses:

VISIANT CORP.

c/o Arvind Walia

3 Farmwood Lane

Upper Brookville, NY 11545

Arvind Walia

27 Kettlepond Road

Jericho, NY 11753

PHYSICIANS PRACTICE PLUS LLC

300 Jericho Quadrangle, Suite 320

Jericho, NY 11753

Constellation Healthcare Technologies, Inc.

c/o The Corporation Trust Company

Corporation Trust Center

1209 Orange Street

Wilmington, DE 19801

Note: The law provides that: (a) If the summons is served by its delivery to you personally within the City of New York, you must appear and answer within TWENTY days after such service; or (b) If the summons is served by any means other than personal delivery to you within the City of New York, you must appear and answer within THIRTY days after proof of service thereof is filed with the Clerk of this Court.

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NASSAU

Index No.:
File No.: 22249

-----X
CRITERIONS, LLC,

Plaintiff,

VERIFIED COMPLAINT

-against-

VISIENT CORP. D/B/A PORTECK CORPORATION,
PHYSICIANS PRACTICE PLUS LLC D/B/A
PORTECK CORPORATION, ARVIND WALIA
D/B/A PORTECK CORPORATION,
CONSTELLATION HEALTHCARE
TECHNOLOGIES, INC.

Defendants.

-----X

Plaintiff, CRITERIONS, LLC, by its attorneys, Kavulich & Associates, P.C., as
and for its Complaint alleges:

THE PARTIES

1. Plaintiff, CRITERIONS, LLC (hereinafter "Plaintiff"), is a domestic limited liability corporation.
2. Defendants, VISIENT CORP. D/B/A PORTECK CORPORATION (hereinafter collectively "Defendants"), is upon information and belief, a domestic business corporation.
3. Defendants, PHYSICIANS PRACTICE PLUS LLC D/B/A PORTECK CORPORATION (hereinafter collectively "Defendants"), is upon information and belief, a domestic business limited liability corporation.
4. Defendants, CONSTELLATION HEALTHCARE TECHNOLOGIES, INC. (hereinafter collectively "Defendants"), is upon information and belief, a Delaware corporation.

5. Defendants, ARVIND WALIA D/B/A PORTECK CORPORATION (hereinafter collectively “Defendants”), is upon information and belief, an individual residing in the State of New York.

BACKGROUND

6. On or about August, 20, 2001, Complex Corporation and Presgar Imaging, LC &/or BAB Radiology executed a software license & Support Agreement.

7. Thereafter, the agreement was assigned to Defendants with Plaintiff Criteria, LLC. as a party thereto.

8. Said products and services were offered by Plaintiff and accepted by Defendants pursuant to the aforementioned agreement at an agreed value of \$61,490.00.

9. Contemporaneous with said tender, Plaintiff provided corresponding invoices to Defendants concerning the same, the terms of which were accepted by Defendants without any protest or objection thereto.

10. Defendants has represented to Plaintiff that no payments will be forthcoming.

11. Accordingly, there exists an unpaid balance of \$61,490.00 which is currently due and owing from Defendants to Plaintiff.

12. To date, and despite Plaintiff’s demand, said unpaid balance has not been satisfied by any source.

13. On or about March 17, 2015, Defendants PHYSICIANS PRACTICE PLUS LLC D/B/A PORTECK CORPORATION was acquired by CONSTELLATION HEALTHCARE TECHNOLOGIES, INC. together with all debts, assets, and liabilities.

AS AND FOR THE FIRST CAUSE OF ACTION
(Breach of Contract)

14. Plaintiff repeats the foregoing allegations as if fully set forth herein.

15. By failing to satisfy said unpaid balance of \$61,490.00, Defendants have breached the terms of its agreement with Plaintiff as represented by the invoices, correspondence, and other documents associated with the underlying transactions.

16. Defendants' breach of said agreement caused harm to Plaintiff.

17. Consequently, Plaintiff demands judgment in the sum of \$61,490.00 plus interest at the statutory rate of 9% per annum from February 1, 2015.

AS AND FOR THE SECOND CAUSE OF ACTION
(Goods Sold and Delivered)

18. Plaintiff repeats the foregoing allegations as if fully set forth herein.

19. Pursuant to CPLR § 3016(f), Defendants owe Plaintiff for goods sold and delivered represented by invoices issued to Defendants in the total amount of \$61,490.00.

20. Consequently, Plaintiff demands judgment in the sum of \$61,490.00 plus interest at the statutory rate of 9% per annum from February 1, 2015.

AS AND FOR THE THIRD CAUSE OF ACTION
(Account Stated)

21. Plaintiff repeats the foregoing allegations as if fully set forth herein.

22. Plaintiff provided Defendants with a true and complete account in the amount of \$61,490.00 to which Defendants have made no objection.

23. Consequently, Plaintiff demands judgment in the sum of \$61,490.00 plus interest at the statutory rate of 9% per annum from February 1, 2015.

AS AND FOR THE FOURTH CAUSE OF ACTION
(Unjust Enrichment)

24. Plaintiff repeats the foregoing allegations as if fully set forth herein.

25. Defendants accepted the goods delivered to it by Plaintiff, and upon information and belief, resold the same to its customers for which it received or expects to receive payment.

26. As a result, Defendants derived a substantial benefit from the goods delivered to it by Plaintiff for which Plaintiff has not been paid.

27. Therefore, Defendants have been unjustly enriched in the amount of not less than \$61,490.00 at the expense of Plaintiff.

28. Consequently, Plaintiff demands judgment in the sum of \$61,490.00 plus interest at the statutory rate of 9% per annum from February 1, 2015.

AS AND FOR THE FIFTH CAUSE OF ACTION
(Quantum Meruit)

29. Plaintiff repeats the foregoing allegations as if fully set forth herein.

30. Plaintiff delivered said goods to Defendants in good faith and with the expectation of being paid by Defendants.

31. The fair and reasonable value of said goods received by Defendants from Plaintiff but not paid for by Defendants is at least \$61,490.00.

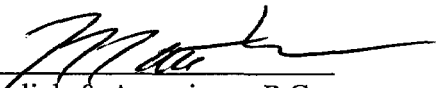
32. Consequently, Plaintiff demands judgment in the sum of \$61,490.00 plus interest at the statutory rate of 9% per annum from February 1, 2015.

WHEREFORE, Plaintiff demands judgment against Defendants as follows:

- a. A money judgment upon the First, Second, Third, Fourth, and Fifth Causes of Action for the sum of \$61,490.00 plus interest at the statutory rate of 9% per annum from February 1, 2015;
- b. Together with costs and disbursements of this action; and

c. For such other and further relief as the Court deems just and proper.

Dated: March 9, 2016
Port Chester, New York


Kavulich & Associates, P.C.
By: Matthew Kasper, Esq.
181 Westchester Ave., Suite 500-C
Port Chester, NY 10573
(914) 355-2074

VERIFICATION


State of New York)
) ss
COUNTY OF NASSAU)

Rajeev Mathur, being duly sworn deposes and says:

I am the Vice President of the Plaintiff CRITERIONS, LLC I have read this Complaint and know the contents thereof to be true to my own knowledge except as to those matters stated on information and belief, and as to those matters I believe them to be true.

Sworn to before me this
8TH day of March, 2016


Notary Public



Rajeev Mathur

LISA SCHOEN
Notary Public, State of New York
No. 01SC5025467
Qualified in Nassau County
Commission Expires May 09 2018

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NASSAU

Index No.:
File No.: 22249

-----X
CRITERIONS, LLC,

Plaintiff,

-against-

VISIENT CORP. D/B/A PORTECK CORPORATION,
PHYSICIANS PRACTICE PLUS LLC D/B/A
PORTECK CORPORATION, ARVIND WALIA
D/B/A PORTECK CORPORATION,
CONSTELLATION HEALTHCARE
TECHNOLOGIES, INC.

Defendants.
-----X

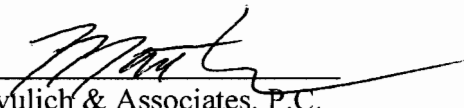
**NOTICE OF COMMENCEMENT OF ACTION
SUBJECT TO MANDATORY ELECTRONIC FILING**

PLEASE TAKE NOTICE that the matter captioned above, which has been commenced by filing of the accompanying documents with the County Clerk, is subject to mandatory electronic filing pursuant to Section 202.5-bb of the Uniform Rules for the Trial Courts. This notice is being served as required by Subdivision (b) (3) of the Section.

For information about electronic filing, including access to Section 202.5-bb, consult the website of the New York State Courts Electronic Filing System ("NYSCEF") at www.nycourts.gov/efile or contact the NYSCEF Resource Center at 646-386-3033 or efile@ecourts.state.ny.us.

Dated: March 9, 2016

Port Chester, New York


Kavulich & Associates, P.C.
By: Matthew D. Kasper, Esq.
181 Westchester Ave., Suite 500-C
Port Chester, NY 10573
(914) 355-2074

Defendants' Addresses:

VISIENT CORP.
c/o Arvind Walia
3 Farmwood Lane
Upper Brookville, NY 11545

Arvind Walia
27 Kettlepond Road
Jericho, NY 11753

PHYSICIANS PRACTICE PLUS LLC
300 Jericho Quadrangle, Suite 320
Jericho, NY 11753

Constellation Healthcare Technologies, Inc.
c/o The Corporation Trust Company
Corporation Trust Center
1209 Orange Street
Wilmington, DE 19801



Nassau County
Maureen OConnell
County Clerk
Mineola, NY 11501

Ref ID#: EC 16 601569 Instrument Number: 2017- 00256647
As
JE1 - ELECT JUDG SUPREME COURT MONEY

Recorded On: November 30, 2017
Parties: Criterions LLC
TO VISIENT CORP
Recorded By: KASPER
Num Of Pages: 4
Comment:

**** Examined and Charged as Follows: ****

JE1 - ELECT JUDG SUPREME CC 0.00
Recording Charge: 0.00

**** THIS PAGE IS PART OF THE INSTRUMENT ****

I hereby certify that the within and foregoing was recorded in the Clerk's Office For: Nassau County, NY

File Information: Document Number: 2017- 00256647
Receipt Number: 887490
Recorded Date/Time: November 30, 2017 01:46:23P
Book-Vol/Pg: Bk-K VI-165 Pg-291
Cashier / Station: 0 KN / NCCL-2GXNV42
Record and Return To:



Maureen O'Connell
County Clerk Maureen O'Connell

At a IAS 4 of The Supreme Court
of the State of New York, held in and
for the County of Nassau, at the
Supreme Courthouse at 100 Supreme
Court, Mineola, New York, on the
28 day of Nov, 2017

Present: HON. ANTHONY L. PARGA

-----X
CRITERIONS LLC,

Index No.: 601569/16 **[EFILED]**

Plaintiff,

JUDGMENT

- against -

VISIENT CORP. D/B/A PORTECK
CORPORATION, PHYSICIANS PRACTICE
PLUS LLC D/B/A PORTECK CORPORATION,
ARVIND WALIA D/B/A PORTECK
CORPORATION, CONTELLATION
HEALTHCARE TECHNOLOGIES, INC.,

Motion Date: 8/30/17
Sequence No. 003

Defendants.

-----X

Plaintiff, CRITERIONS LLC by its attorneys Kavulich & Associates, P.C.,
having moved this Court for an order pursuant to 22 NYCRR §202.27(a) seeking a
default judgment in favor Plaintiff CRITERIONS LLC, and against the Defendants
VISIENT CORP. D/B/A PORTECK CORPORATION, PHYSICIANS PRACTICE
PLUS LLC D/B/A PORTECK CORPORATION, ARVIND WALIA D/B/A PORTECK
CORPORATION, CONTELLATION HEALTHCARE TECHNOLOGIES, INC., and
upon the Notice of Motion for default judgment dated August 9, 2017 and the supporting
Affirmation of Matthew Kasper, Esq. **AFFIRMED** ~~sworn~~ on August 9, 2017, together with the
affidavit of Raj Mathur, Plaintiff's vice president annexed thereto, and upon reading and
filing the aforesaid papers, and due deliberation having had thereon, and upon the
decision of Hon. Anthony L. Parga a Justice of this Court dated October 18, 2017
granting Plaintiff's motion in its entirety, a copy of which is annexed hereto;

NOW, upon motion of Matthew Kasper, Esq. attorneys for Plaintiff, it is

ORDERED, that the Plaintiff's motion for default judgment is hereby granted,

and is further;

ADJUDGED, that Plaintiff CRITERIONS LLC located at 18 Genevieve Place,

Grate Neck, NY 11021 be awarded judgment against Defendants VISIENT CORP.

D/B/A PORTECK CORPORATION

located at 3 Farmwood Lane, Upper Brookville, NY 11545, PHYSICIANS PRACTICE

D/B/A PORTECK CORPORATION

PLUS LLC located at 300 Jericho Quadrangle, Suite 320, Jericho, NY 11753, ARVIND

D/B/A PORTECK CORPORATION

WALIA residing at 27 Kettlepond Road, Jericho, NY 11753, CONTELLATION

HEALTHCARE TECHNOLOGIES, INC. located at 3200 Wilcrest Drive, Suite 600,

Houston, TX 77042, the sum of \$61,490.00 together with statutory interest from February

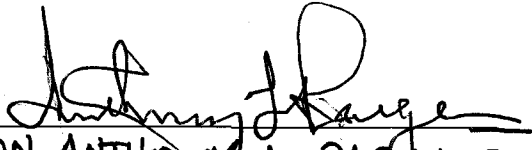
1, 2015 in the amount of \$ 15,662.26 together with costs and

disbursements in the amount of \$ 615.00 for a total of

\$ 77,767.26;

ORDERED that the Plaintiff shall have executive thereof.

ENTER:


HON. ANTHONY L. PARGA, JSC

ENTERED

NOV 30 2017

NASSAU COUNTY
COUNTY CLERK'S OFFICE

RG
ASTO
FORM

SUPREME COURT OF THE STATE OF NEW YORK
COUNTY OF NASSAU

INDEX NO. 601569/2016E
FILE NO. 22249

CRITERIONS, LLC,

BILL OF COSTS

PLAINTIFF(S)

-AGAINST-

VISIENT CORP. D/B/A PORTECK CORPORATION,
PHYSIANS PRACTICE PLUS LLC D/B/A
PORTECK CORPORATION,
ARVIND WALIA D/B/A PORTECK CORPORATION,
CONSTELLATION HEALTHCARE TECHNOLOGIES, INC.,

DEFENDANT(S)

COSTS for:

Proceedings before Note of Issue is filed - CPLR § 8201(1)..... \$200.00
Motion - CPLR § 8202..... ~~\$200.00~~

SUBTOTAL ~~\$200.00~~
\$200.00

FEES and DISBURSMENTS for:

Index number of county clerks - CPLR § 8018..... \$210.00
Request for Judicial Intervention..... \$ 95.00
Note of Issue..... \$ 0.00
Serving summons and complaint - CPLR § 8011(h)..... \$ 25.00
Prospective Marshal's Fee..... \$ 40.00

Motion..... ~~\$370.00~~ \$415.00

SUBTOTAL
TOTAL \$615.00

Attorney's Affirmation

STATE OF NEW YORK)
)
COUNTY OF WESTCHESTER) ss.:

The undersigned, Matthew D. Kasper, Esq., an attorney duly admitted to practice law in the courts of the State of New York, hereby affirms the following under penalty of perjury:

I am a member of the law firm of Kavulich & Associates, P.C., attorneys for the Plaintiff, herein. As such, I am fully familiar with the facts and circumstances of the above captioned action; that the foregoing costs are correct and were necessarily incurred in this action and are reasonable in amount; and that the services for which fees have been charged were actually and necessarily performed and are reasonable in amount.

Dated: November 14, 2017
Westchester, New York


By:  Matthew D. Kasper, Esq.
Kavulich & Associates, P.C.
181 Westchester Ave., Suite 500C
Port Chester, NY 10573
Attorney for Plaintiff

EXHIBIT 4

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----		:
In re:		: Chapter 11
		:
ORION HEALTHCORP, INC ¹ .		: Case No. 18-71748 (AST)
		:
	Debtors.	: (Jointly Administered)
-----		:
HOWARD M. EHRENBERG IN HIS CAPACITY		:
AS LIQUIDATING TRUSTEE OF ORION		: Adv. Pro. No. 20-08042 (AST)
HEALTHCORP, INC., ET AL.,		:
		:
	Plaintiff,	:
		:
v.		:
		:
HOWARD M. SCHOOR,		:
		:
	Defendants.	:
		:
-----		:

**AFFIDAVIT OF JEFFREY P. NOLAN IN SUPPORT OF
PLAINTIFF'S MOTION FOR ENTRY OF AN ORDER
AWARDING REASONABLE ATTORNEYS' FEES AND EXPENSES**

STATE OF CALIFORNIA)
) ss.:
COUNTY OF LOS ANGELES)

JEFFREY P. NOLAN, being duly sworn, deposes and says:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Orion Healthcorp, Inc. (7246); Constellation Healthcare Technologies, Inc. (0135); NEMS Acquisition, LLC (7378); Northeast Medical Solutions, LLC (2703); NEMS West Virginia, LLC (unknown); Physicians Practice Plus Holdings, LLC (6100); Physicians Practice Plus, LLC (4122); Medical Billing Services, Inc. (2971); Rand Medical Billing, Inc. (7887); RMI Physician Services Corporation (7239); Western Skies Practice Management, Inc. (1904); Integrated Physician Solutions, Inc. (0543); NYNM Acquisition, LLC (unknown) Northstar FHA, LLC (unknown); Northstar First Health, LLC (unknown); Vachette Business Services, Ltd. (4672); Phoenix Health, LLC (0856); MDRX Medical Billing, LLC (5410); VEGA Medical Professionals, LLC (1055); Allegiance Consulting Associates, LLC (7291); Allegiance Billing & Consulting, LLC (7141); New York Network Management, LLC (7168). The corporate headquarters and the mailing address for the Debtors listed above is 1715 Route 35 North, Suite 303, Middletown, NJ 07748.

1. I am an attorney at law duly licensed to practice before all courts in the State of California. I am an attorney with the law firm of Pachulski Stang Ziehl & Jones LLP, attorneys of record for Plaintiff, Howard M. Ehrenberg in his capacity as Liquidating Trustee of Orion Healthcorp, Inc., et al., for the estates of the above-captioned debtors, counsel of record in this adversary proceeding. The facts stated herein are of my own personal knowledge, or made known to me from a review of the files and pleadings in this action which are maintained in the ordinary course of business. If called upon as a witness to any facts set forth herein, I could and would competently testify thereto.

2. I make this Affidavit in support of the accompanying Plaintiff's Motion for Entry of an Order Awarding Reasonable Attorneys' Fees and Expenses (the "Motion").²

3. Attached hereto as **Exhibit A** is a true and correct copy of Notice of Ruling transcript from the June 3, 2021 hearing.

4. Attached hereto as **Exhibit B** is a true and correct copy of the December 9, 2019, demand letter executed by the undersigned and mailed to Defendant, a copy of which is maintained in the client files of this office.

5. Attached hereto as **Exhibit C** is a true and correct copy of Plaintiff's Request for Admissions, Set One propounded on Defendant on May 1, 2020, a copy of which is maintained in the client files of this office.

6. Attached hereto as **Exhibit D** is a true and correct copy of Defendant's Responses to Plaintiff's Request for Admissions, Set One dated October 13, 2020 received by Plaintiff, a copy of which is maintained in the client files of this office.

² Capitalized terms not otherwise defined herein have the same meaning ascribed to them in the Motion.

7. The hourly billing rate for the undersigned for 2020 was \$825.00 per hour. The current billing rate for 2021 is \$925.00 per hour. The rate is the standard billing rate for the undersigned in this market based on my position as a litigation attorney with the Firm, background and thirty (30) years of experience before federal and state courts.

8. Attached hereto as **Exhibit E** is a true and correct copy of a summary of the fees entitled “Post-Discovery” incurred after October 14, 2020, following the receipt of Defendant’s Responses to Requests for Admission. The summary contains the actual billing entries to the client, copied verbatim, but redacted to remove certain privileged information. The amount incurred after receipt of the discovery responses was \$77,517.50. If necessary, the Firm can produce the actual billing records in camera, but for ease of reference utilized the excerpts.

9. Attached hereto as **Exhibit F** is a true and correct copy of a summary of the fees entitled “Deposition” incurred with respect to the notice and taking of the deposition of Howard M. Schoor in the amount of \$14,319.50, following the receipt of Defendant’s Responses to Requests for Admission. The attached summary is a compilation of charges from our attorney invoice billing records for the time period in question.

10. Attached hereto as **Exhibit G** is a true and correct copy of a summary of the fees entitled “Motion for Summary Judgment Fees” incurred after October 14, 2020, with respect to drafting, responding, appearing and arguing the motion in the amount of \$36,919.

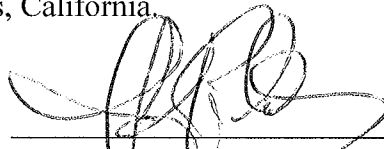
11. Attached hereto as **Exhibit H** is a true and correct copy of the legal research charges received by the Plaintiff for the filing of law and motion practice in the adversary. The total sum charged to the client, after discounts, is \$1,904.57.

12. Attached hereto as **Exhibit I** is a true and correct copy of a summary of the costs incurred of \$5,986.62 entitled “In Adversary Orion Healthcorp vs. Howard Schoor”, along with a true and correct copy of the Court Reporter’s invoice for the deposition of Defendant.

13. Attached hereto as **Exhibit J** is a true and correct copy of the fees incurred in this adversary at the firm of \$97,356.50.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct.

Executed this 17th day of June, 2021 at Los Angeles, California.



Jeffrey P. Nolan

SWORN TO AND SUBSCRIBED before me this
17th day of June, 2021





EXHIBIT A

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

Case No. 18-71748-ast

Adv. Case No. 20-08042-ast

- - - - - x

In the Matter of:

ORION HEALTHCORP, INC.,

Debtor.

- - - - - x

HOWARD M. EHRENBURG, IN HIS CAPACITY AS LIQUIDATING TRUSTEE
OF ORION HEALTHCORP, INC., et al.,

Plaintiffs,

v.

HOWARD SCHOOR,

Defendants.

- - - - - x

1 United States Bankruptcy Court
2 290 Federal Plaza
3 Central Islip, New York 11722
4

5 June 3, 2021

6 10:11 AM
7
8
9
10
11
12
13
14
15
16
17
18
19
20

21 B E F O R E :
22 HON ALAN S. TRUST
23 U.S. BANKRUPTCY JUDGE
24

25 ECRO: UNKNOWN

1 HEARING re 43 Amended Notice of Motion/Presentment Filed by
2 Plaintiff Howard M Ehrenberg);

3
4 HEARING re 27 Motion for Summary Judgment Filed by Plaintiff
5 Howard M Ehrenberg)

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25 Transcribed by: Sonya Ledanski Hyde

1 A P P E A R A N C E S :

2

3 PACHULSKI STANG ZIEHL & JONES LLP

4 Attorneys for the Trustee

5 780 Third Avenue, 34th Floor

6 New York, NY 10017

7

8 BY: JEFF NOLAN

9 ILAN SCHAT

10

11 PARLATORE LAW GROUP

12 Attorneys for 2 River Terrace

13 One World Trade Center, Suite 8500

14 New York, NY 10007

15

16 BY: MARYANN HADDEN

17

18 ROSEBURG & PITTINSKY, LLP

19 Attorneys for Residential Board of Managers of

20 Riverhouse One Rockefeller Park Condominium

21 232 Madison Avenue, Suite 906

22 New York, NY 10016

23

24 BY: LAWRENCE PIITTINSKY

25

1 GIORDANO HALLERAN & CIESLA, P.C.
2 Attorneys for Howard Schoor
3 125 Half Mile Road, Suite 300
4 Red Bank, NJ 07701

5
6 BY: DONALD CAMPBELL

7
8 ROSEN & ASSOCIATES, LLP
9 Attorneys for Arvind Walia
10 747 Third avenue, 20th Floor
11 New York, NY 10017

12
13 BY: SANFORD ROSEN
14 PARIS GYPARAKIS

15
16 ALSO PRESENT TELEPHONICALLY:

17
18 JOSEPH ORBACH

19
20
21
22
23
24
25

1 P R O C E E D I N G S

2 CLERK: Good morning. I am Amy Tenorello, the
3 courtroom deputy for the Honorable Chief Judge Alan S.
4 Trust. This hearing is being recorded.

5 THE COURT: All right. We'll take up. Ms.
6 Tenorello, if you want to call the first two matters?

7 CLERK: Oh, I'm sorry, Judge. The first matter is
8 18-71748 Orion Healthcorp, Inc.

9 THE COURT: I'm going to take appearances in the
10 main case on the sale motion as well as in adversary
11 proceeding 20-8051 which is on for status today, Ehrenburg
12 v. Sartison, et al., so who's appearing on those matters?

13 MR. SCHARF: Sorry, I was on mute. Good morning,
14 Your Honor. It's Ilan Scharf and Jeff Nolan of Pachulski
15 Stang Ziehl and Jones on behalf of the Trustee.

16 MR. PITTINSKY: Good morning, Judge. Lawrence D.
17 Pattinsky, Roseburg and Pittinsky on behalf of non-party
18 board of managers of the Riverhouse Condominium.

19 MS. HADDEN: Good morning, Your Honor. Maryam
20 Hadden from Parlatore Law Group on behalf of 2 River Terrace
21 Apartment 12J LLC, one of the defendants in the adversary
22 and an interested party in the main case.

23 MR. LEV: Good morning, Your Honor. Daniel Lev,
24 Sulmeyer Kupetz. I am general bankruptcy counsel for Howard
25 Ehrenburg, a liquidating trustee. I will just be monitoring

1 today and Mr. Nolan and Mr. Scharf will be handling the
2 hearing.

3 THE COURT: All right. Very well. Anyone else?
4 All right. So, before I take your arguments or positions on
5 the motion, let me outline some of the questions that the
6 Court has for the parties based upon the pleadings, based
7 upon some prior hearings on this matter.

8 My first question is always the optimistic
9 question, which is have you all reached either an overall
10 settlement of the adversary or at least a protocol
11 concerning the sale of the 2 River Terrace apartment?

12 MR. SCHARF: No, Your Honor.

13 THE COURT: Ms. Hadden?

14 MS. HADDEN: We have not, Your Honor. We are
15 still working on getting all of the personal property of the
16 manager of the LLC out of the apartment and we're in the
17 midst of selecting a second date for that.

18 But in terms of the sale of the apartment, no,
19 we're still on opposing ends.

20 THE COURT: All right. And so then, here are the
21 questions that the Court has, the other questions I suppose.

22 First, it does appear as raised by the 2 River
23 Terrace party in interest that as of right now there is a
24 non-final judgment that was entered in the adversary
25 proceeding which is now subject to what might be an

1 interlocutory appeal to the district court. It appears that
2 whoever has indicated that it has sought a stay pending
3 appeal but I don't see that on the CMECF docket.

4 So, let me first raise this to Mr. Scharf or Mr.
5 Nolan. What is the Trustee's position on whether or not the
6 Court's order and judgment from back in March is
7 interlocutory?

8 MR. SCHARF: Our position, Your Honor, is that the
9 judgment is interlocutory. We'll brief that in full in
10 front of the district court within the next 12 days or so.

11 THE COURT: All right. And so, from this Court's
12 understanding, the purpose of seeking to determine a
13 judgment on appeal to be interlocutory is to have the appeal
14 dismissed.

15 And so, if the appeal is dismissed, where does
16 that then leave 2 River Terrace on attempting to challenge
17 whether or not the property, which is currently subject of
18 an interlocutory partial judgment, should be sold or not
19 before there's at least a final judgment or a final
20 appealable judgment?

21 MR. SCHARF: Your Honor, I -- well, if there's no
22 appeal -- if the appeal is mooted out, I think they would
23 have to come back before Your Honor and seek some further
24 injunctive relief that Your Honor may or may not grant based
25 on whatever facts they can adduce to prevent the sale of the

1 property.

2 THE COURT: Wouldn't that then speak in favor of
3 not going forward and allowing the trustee -- the
4 liquidating trustee to sell the property now?

5 MR. SCHARF: Well, we don't think that that would
6 have any chance of -- a reasonable likelihood or chance of
7 success, Your Honor. And in addition any relief granted to
8 Mr. Parmar, either with respect to a stay pending appeal or
9 future injunctive relief should absolutely be conditioned on
10 his first posting a bond in the -- in the full amount and
11 value of this property, and second paying the arrears and
12 ongoing expenses that are due to the condo board that caused
13 this to become essentially a wasting asset which is I know
14 unusual for real estate, but given the arrears and ongoing
15 losses and expenses associated with this apartment, it's
16 only appropriate that any relief granted to Mr. Parmar be
17 conditioned on at least -- at the very least a bond and
18 payment of the arrears.

19 THE COURT: All right. Thank you, Ms. Hadden,
20 what is 2 River Terrace's position on those issues?

21 MS. HADDEN: Addressing first the question of
22 whether the judgment is interlocutory and what the effect of
23 that would be if the appeal is dismissed for that reason,
24 and it's in fact for that reason that we initially did not
25 file for stay under Rule 8007.

1 We were aware of the Trustee's position that the
2 order -- that the Court's order granting -- or transferring
3 ownership of the apartment to the Trustee was an
4 interlocutory order.

5 Based on that, it was our position that it was
6 untimely for the Trustee to be attempting to sell it. If
7 the Trustee doesn't finally, for lack of a better term, own
8 the apartment, the sale of the apartment would be
9 injudicious to say the least, and it certainly puts Mr.
10 Parmar and more essentially the LLC in a position where if
11 the apartment is sold, at that point obviously, as the Court
12 is well aware under the Bankruptcy Code, there would be no
13 possibility of appeal at that particular sale. Once the
14 asset -- once the real estate is sold, the real estate is
15 gone. There's no appellate remedy.

16 So, we're in a situation where we have appealed
17 what we believed to be a final order, the Trustee believed
18 not to be a final order and it to be a interlocutory order,
19 and I think at this point it's premature to attempt to sell
20 the apartment when that issue is still outstanding.

21 If the order is final, then it is appealable and
22 at that point the appeal can go forward and either we
23 prevail or we don't. If it's not final, then we're in a
24 scenario where we would be asking for some form of stay or
25 relief to protect the asset, because it is, as the Court is

1 aware, a unique piece of property.

2 Every piece of property is unique, and you know,
3 finding another apartment or another premises that meets
4 these same specifications is not something that's either
5 easily done or even possibly done under the law.

6 So, in that scenario, I'm, you know, not taking a
7 position one way or the other as to the Trustee's
8 application that Mr. Parmar set forth a bond. I honestly
9 don't know what his financial ability to do that is or what
10 the bond amount that the Court would set would be, but that
11 certainly is something that we would endeavor to do if the
12 Court were to require it of us.

13 And in that case, presuming that we were able to
14 do it, we would be doing it to attempt to protect the LLC's
15 sole asset from what at this point is at least arguably not
16 a final determination.

17 THE COURT: And what about the issue that, one, it
18 is in a sense a wasting asset, more because there are costs
19 and expenses of upkeep, maintenance, board fees, etcetera,
20 being incurred that no one is paying, which Mr. Pittinsky
21 has been both quite vocal and quite temperate about on
22 behalf of his client in these proceedings, and it appears
23 that since an agreement was reached to move out the personal
24 property, nobody is living there?

25 MS. HADDEN: It's correct that nobody is living

1 there, and in fact no one has been able to live there over
2 the last couple of years because -- and Mr. Pittinsky and I
3 are on opposite sides about this issue as well, but it has
4 been our client's position and experience that whenever he
5 would attempt to go to the building, he was refused access
6 to the building.

7 Obviously at this point I'm speaking before the
8 Court's transfer of ownership to the Trustee. For that
9 reason -- and I see Mr. Pittinsky shaking his head, I'm well
10 aware and I will certainly put on the record that he has
11 informed me that that is not the case.

12 Again, it's yet another thing that we can work oit
13 in mitigation I suppose. But Mr. Parmar has, because of the
14 denial of access, been unable to use the apartment himself
15 over the last couple of years, since 2018, and it was for
16 that reason that the charges were not being paid initially.

17 It has been his position, and it was the position
18 of a case that we filed in state court and have suspended
19 while all of these other proceedings are being worked out,
20 that the denial of access by the board was depriving him of
21 his real property, and it was his position that the amount
22 of deprivation, the cost of that deprivation, actually
23 outweighed the cost of the fees and charges owed to the
24 board and he was seeking an offset in that state court
25 proceeding.

1 Again, that proceeding has been completely put on
2 hold while all of these other matters are ongoing.

3 THE COURT: And on the subject of things that are
4 on hold, and again this has been discussed at several
5 hearings, all other things be equal, the condo board has had
6 a judgment that they've been very politely holding off on
7 executing on which where they -- did they go forward on that
8 sale, then that property is going to be lost to the estate.

9 I don't think that issue has been lost on any of -
10 - any of the parties. I doubt that 2 River Terrace's
11 position is that execution on the state court judgment and
12 whatever value that would bring would be higher or better
13 than at least the current \$4.8 million offer in front of
14 this Court.

15 MS. HADDEN: No, that's certainly not anything
16 that I think anybody could contend. Although the judgment
17 on behalf of the board is substantial, it's certainly
18 significantly less than the 4.8 million.

19 THE COURT: So, putting procedure aside for a
20 moment, I'm not shelving it because it is one of the things
21 that we do as trial court judges, but putting procedure
22 aside for the moment, has 2 River Terrace made a decision as
23 to whether or not monetizing these assets and paying the
24 judgment that exists and avoiding continued accrual of costs
25 and expenses of maintenance and upkeep, etcetera, is just

1 better than continuing to fight about maintaining the
2 property as opposed to monetizing it and fighting over who
3 gets the money.

4 MS. HADDEN: At this point, my client's -- I
5 apologize -- my client's manager is still seeking to
6 preserve the asset itself as opposed to monetizing the
7 asset.

8 Can I say that that will always be the case? No,
9 I can't, but that's still his current position.

10 THE COURT: All right. Mr. Pittinsky, I know
11 you're here because you're here and don't necessarily have a
12 direct dog in the hut, but do you want to weigh in on either
13 the sale issue -- well, on the main case sale issue or
14 anything about the adversary on status?

15 MR. PITTINSKY: Your Honor, not too much to say
16 other than, yes, the board is now getting extremely antsy as
17 the arrears continue to build. We do have the sheriff on
18 hold.

19 We obviously deny any claim of lack of access to
20 the LLC. I just want to point out to the Court and Ms.
21 Hadden whatever Mr. Parmar may think, this unit is owned by
22 a limited liability company. Nobody from that company has
23 been denied access. No one who was authorized on behalf of
24 that company has ever been denied access, and she can speak
25 to her partner about that.

1 We support monetizing this, sell it, fight about
2 the money, pay us, we get a new owner in so we have our
3 common charges being paid going forward. They defaulted
4 after knowing about the supreme court action. This is all
5 after-the-fact arguments on the apartment.

6 We strongly request the Court permit the sale to
7 go forward, and yes, I could say that if it was sold at the
8 sheriff's sale, the sale price is going to be substantially
9 less. Even if it's bid over the judgment amount, it's not
10 going to reach the amount that the Trustee has been able to
11 secure on a private sale.

12 THE COURT: Thank you.

13 MR. SCHARF: Your Honor, if I may respond to a
14 couple of the points here?

15 THE COURT: Sure.

16 MR. SCHARF: The notion that mister -- that the
17 defendant -- that the LLC did not seek a stay pending appeal
18 because the appeal might be interlocutory based on our
19 contention is frankly absurd.

20 They knew this apartment was going to be sold
21 weeks ago. It's self-evident that a Trustee who's charged
22 with selling an apart -- with liquidating an estate is not
23 going to let an apartment lie fallow, and we filed the sale
24 motion well before there was a request for a stay.

25 I would have expected a request for a stay pending

1 appeal on the judgment, not the underlying sale but on the
2 judgment being enforced to be filed within -- at the same
3 time the appeal was filed or before the appeal was filed and
4 certainly to see one filed if that was their position as of
5 the -- as of the filing of the sale motion.

6 I expect, and this is my conjecture, that they
7 didn't do so because the conditions that would be associated
8 with such a stay would be something like posting a bond or -
9 - and paying arrears so that there is no further
10 depreciation to the asset.

11 I'll also note, Your Honor, when we do talk about
12 depreciation -- or sorry the losses incurred in the asset on
13 the ongoing arrears, the Trustee is making current payments
14 of the ongoing charges. So, there is that loss. It's a
15 direct expense being covered by the Trustee since the
16 Trustee took possession of the apartment.

17 And in addition, Your Honor, we have risk here.
18 It's an unoccupied apartment. There was some minor damage,
19 scratches, holes, things like that, missing knobs from -- or
20 handles from a refrigerator, minor damage.

21 There's a risk there could be further damage. We
22 could have a flood in that apartment. We could all be
23 talking about an insurance claim (indiscernible) somebody
24 liable for fixing an apartment rather than monetizing an
25 apartment down the road.

1 So, it's not just the risk of ongoing expenses.
2 There's a risk of something catastrophic happening, and
3 frankly that's all on the Trustee given where we sit with
4 the judgment, Your Honor.

5 THE COURT: All right. Thank you. The sale
6 motion itself, the -- I want to know who the witnesses would
7 be because the Court's -- what the Court's contemplating is
8 I -- I hate to put the practical ahead of the metaphysical
9 but it would seem from a practical standpoint that it would
10 be in everybody's best interest to monetize the asset and
11 fight over the proceeds; 2 River Terrace disagrees, and
12 that's fine. They're certainly entitled to do so.

13 If I held an evidentiary hearing on the sale
14 motion, I presume the Trustee's witnesses would be Mr.
15 Stanton, the broker who's provided a declaration, and Mr.
16 Ehrenburg, the Trustee?

17 MR. SCHARF: I believe that would be correct, Your
18 Honor.

19 THE COURT: All right. Ms. Hadden, I didn't
20 notice --

21 MR. SCHARF: And Your Honor, potentially Mr.
22 Pittinsky's client on the losses and ongoing expenses in the
23 apartment, and any issues raised by Ms. Hadden. I'm not
24 putting your client on the spot, Mr. Pittinsky, but those
25 were issues that were raised.

1 THE COURT: Ms. Hadden, I didn't notice any
2 affirmative witness declarations in the opposition. Is 2
3 River Terrace contemplating putting on any witnesses in an
4 evidentiary hearing on a sale?

5 MS. HADDEN: In the event of an evidentiary
6 hearing, Your Honor, I'd have to discuss it with my co-
7 counsel on the criminal matter, but I would anticipate at
8 least the possibility of calling Mr. Parmar for at least
9 limited testimonial purposes.

10 THE COURT: What about on the not enough money
11 aspect? What I'm also trying to figure out is, is 2 River
12 Terrace contending that the purchase price is not fair
13 consideration?

14 MS. HADDEN: Yes.

15 THE COURT: All right. Do you all have an expert
16 lined up to testify about the value of the unit or to
17 challenge whether or not the sale and marketing process was
18 adequate?

19 MS. HADDEN: I do not, but we would retain one.

20 THE COURT: All right. Mr. Pittinsky, this is the
21 part where you again get to talk on behalf of your own
22 client. Do you -- would the board contemplate putting on
23 evidence at a hearing on whether or not the sale
24 consideration is adequate and the process and procedures
25 that the Trustee -- liquidating Trustee went through were

1 appropriate for a sale of this type?

2 MR. PITTINSKY: Your Honor, we would not really
3 take a position, I believe. I would have to double check
4 with the board itself. I don't have a client; I have a
5 board.

6 From my point of view, the price is not something
7 we would object to and the procedure is not something the
8 condominium board would object to. If we were to do
9 objections, we would've put in papers on the motion itself.

10 THE COURT: All right. I'm not sure that whether
11 or not some person was told you can't go in there two years
12 ago or 17 months ago is really probative on whether or not -
13 - what the Court would be looking at, which is whether or
14 not the process the Trustee -- liquidating Trustee has gone
15 through in setting up a private sale process, whether or not
16 the property's been adequately marketed, your typical 363
17 type of issues.

18 Again, if 2 River Terrace wants to bring those in,
19 I take evidentiary objections as the question is asked
20 before the answer is given, but I don't really know that
21 that -- who shot John is particularly probative for me at
22 this -- at this stage. From the Court's vantage point it's
23 really more of was the sale process -- was the sale process
24 appropriate and is the amount obtained as a result a fair
25 sales price.

1 On the procedural side of it, it seems to the
2 Court in managing my docket that the best way to go about
3 this is if -- if the liquidating Trustee wants the partial
4 judgment to be rendered a final judgement under Rule 54,
5 then the trustee can file papers and ask the Court to do
6 that.

7 That takes this dance over whether it's an
8 interlocutory appeal out if the Court were to grant it. It
9 would again seem -- I'm not ruling on a motion that's not in
10 front of me, but since 2 River Terrace would like the
11 opportunity to challenge this Court's ruling on appeal, and
12 they're more than welcome to do so, it would seem
13 procedurally the only way to actually do that is to render
14 that judgment final, which I can do under Rule 54 but won't
15 do until somebody actually asks me to do so.

16 If 2 River Terrace wants a stay pending appeal,
17 which they're certainly entitled to ask for, that should be
18 before me and then as you all know the trial court makes the
19 first determination on whether and under what circumstances
20 to grant a stay pending appeal, and then that can be taken
21 to the district court. There's a certain synchronicity
22 between the two of those as they then tie into whether or
23 not the Court would approve the sale and approve the sale at
24 the price which has been advanced by the Trustee. I don't
25 see that -- I'm not a wine connoisseur, but like -- but what

1 I'm told about bottles of wine is some get better with age,
2 but litigation generally does not.

3 I don't -- I don't see that there is a need --
4 because these issues have been percolating for some time, I
5 don't see the reason to put any significant delay on these
6 issues, because I think the parties are fairly well-informed
7 and advised of what the disputes will be.

8 I'm prepared to give you all both an evidentiary
9 hearing on the sale motion as well as procedural hearings on
10 a 54B motion as well as a stay pending appeal motion on June
11 14th. That's about 10 days from now. And again, the issues
12 have been fairly well known and laid out. I don't see a
13 reason to further delay this, and I have a standing protocol
14 and -- both a virtual platform standing protocol for how I
15 take witness testimony and the who can be in the room when
16 it happens kind of things.

17 As I think you all know from other practice before
18 me, I take all of my direct testimony from party-controlled
19 witnesses by affidavits exchanged in advance and then the
20 parties present here virtually for cross-examination.

21 That's how I'll run this trial. I typically
22 require those affidavits to be exchanged seven days in
23 advance and then the supporting exhibits provided to the
24 Court in a format that my order will set out.

25 I would anticipate following essentially that

1 program. I'll probably give you a little flex on the
2 affidavits seven days ahead of time, because there is no --
3 the only affidavit that I think the Court has is Mr.
4 Stanton's.

5 But then have you all, you know, ready to try
6 these issues or argue these issues on June 14th at 2:00
7 Eastern Standard Time. Mr. Scharf, will the Trustee be
8 ready?

9 MR. SCHARF: The Trustee can be ready. He is not
10 in the courtroom right now. Mr. Lev may know his schedule
11 better.

12 MR. LEV: Your Honor, I've been texting Mr.
13 Ehrenburg, who unfortunately has another conflict and he
14 said he is available on June 14th.

15 THE COURT: All right. Ms. Hadden, will 2 River
16 Terrace be ready?

17 MR. LEV: Ms. Hadden's on mute.

18 THE COURT: Oh, Ms. Hadden.

19 MS. HADDEN: Sorry about that. I actually have a
20 conflict the afternoon of the 14th. Is it possible to do
21 the 15th or the 16th? Almost any other day that week I can
22 do. Just the 14th I'm already in another courtroom at that
23 time.

24 THE COURT: Mr. Lev, will you check with Mr.
25 Ehrenburg on June 16th?

1 MR. LEV: What time, Your Honor?

2 THE COURT: 2:00 Eastern.

3 MS. HADDEN: Thank you, Your Honor.

4 THE COURT: All right. Ms. Hadden, was -- didn't
5 2 River file a stay pending appeal with the district court?

6 MS. HADDEN: No, Your Honor. I had actually filed
7 somewhat informally in the course of my opposition to the
8 motion to sell. I had added an application for a stay
9 within there, but I do need to file a separate application
10 for a stay to fully meet the Court's procedures.

11 THE COURT: All right.

12 MS. HADDEN: And obviously, I will file that
13 before Your Honor rather than in the district court. I'm
14 aware it needs to be in the bankruptcy court first.

15 THE COURT: All right. Mr. Scharf, does the
16 liquidating trustee want to ask to sever the judgment -- the
17 partial judgement and render it final for appeal purposes?

18 MR. SCHARF: I think I'm going to have to have a
19 substantive conversation with the Trustee about that but I
20 suspect we can -- I believe we can get an answer to that
21 tonight or tomorrow morning.

22 THE COURT: All right.

23 MR. LEV: Your Honor, Mr. Ehrenburg is available
24 June 16th, 2 p.m. Eastern time.

25 THE COURT: Great. So, we'll proceed --

1 MR. PITTINSKY: Your Honor, part of the -- one --
2 some of the factors for a stay pending appeal include
3 showings of hardship. We would ask that Mr. Parmar be
4 present to be cross-examined or to be examined by us on
5 those factors at the hearing rather than, you know, rather
6 than skate around whether or not he's relying on comments
7 made by counsel who's not put in an affidavit in connection
8 with that.

9 And or -- or Your Honor can direct if he does not
10 put an affidavit in that there's no -- that he doesn't get
11 another chance for an evidentiary hearing (indiscernible).

12 THE COURT: Well, I'm going to go with the I'll
13 know what you all are asking me to do when I see it
14 approach. So, rather than contemplate what's going to come
15 in, I'll decide based on what's actually in front of me.

16 I'll set the June 9th for -- to file whatever --
17 to file the motion seeking whatever relief the parties are
18 going to ask the Court to determine on June 16th at 2:00.
19 Those should be filed in the adversary proceeding.

20 Again, if it's a Rule 54B motion, if it's a stay
21 pending appeal, whatever it's going to be, file those by 5
22 p.m. on June the 9th and then any responses will be due by
23 noon on June the 14th.

24 I don't need replies on those types of issues.
25 There's -- I don't think there's going to be any Supreme

1 Court setting presidential issues for me to decide on those
2 types of issues. So, June 9th at 5 p.m. for the motions,
3 June 14th at noon, and I'll know what you all are asking me
4 to do once it's been filed.

5 On the evidentiary portion of the hearing, I'm not
6 precluding taking evidence on a motion for a stay pending
7 appeal. I don't know that I typically do, but whatever you
8 all are going to ask me to do, the standing rule still
9 remains, if there are -- if there are specific facts that
10 are in controversy the parties want me to consider, then I
11 need to have a sponsoring witness who would testify to those
12 facts. That's the general rule for the motion practice as
13 well.

14 Any affidavits that the parties want the Court to
15 consider at the evidentiary hearing on the sale motions,
16 those affidavits also need to be filed and exchanged by June
17 9th at 5 p.m.

18 Mr. Stanton's is already there. It doesn't need
19 to be refiled, but any other testifying witness whether for
20 the liquidating Trustee or for 2 River Terrace or should the
21 board decide to weigh in from an evidentiary standpoint,
22 those witness affidavits have to be filed and exchanged by
23 June 9th at 5 p.m. along with any exhibits, documents --
24 documentary evidence that the parties wish to rely on. And
25 then objections to the affidavits and the documents also due

1 by June 14th at noon.

2 So, we'll have our full package from the court's
3 standpoint by June 14th at noon so that we can then do our
4 prep for the June 16 at 2:00 evidentiary hearing. Again,
5 the witness affidavits constitute the direct testimony of
6 the witnesses and then I take live cross-examination of them
7 at the evidentiary.

8 In the event that there are evidentiary objections
9 to portions of the affidavits, I rule on those at the
10 beginning of that witness's testimony. I don't expect any
11 motions in limine, but again, if you're going to object to
12 the other party's witness testimony or the other party's
13 exhibits, those will be due June 14th at noon.

14 This will all be laid out in the control order
15 that the Court will be issuing, but because the timeline is
16 a little bit tight, I wanted you to know today what those
17 issues are because it could be Monday before that order is
18 entered.

19 And then there'll be the protocol for how you
20 deliver the exhibits to each other and to the Court, and
21 again a -- I need to know who's in the room, anybody with
22 the witness, and from where the witness is testifying. And
23 again, I have a protocol laid out for that that you'll see
24 in the order.

25 Anything else that you all want to address today

1 on the sale motion or the status in the Ehrenberg v.
2 Sartison adversary?

3 All right.

4 MR. NOLAN: Your Honor?

5 THE COURT: Yes.

6 MR. NOLAN: Jeff Nolan on behalf of the plaintiff.
7 To the extent at the -- that a party submits an affidavit
8 and it is not objected to, would -- does the Court need to
9 have that witness present or is the affidavit sufficient for
10 the hearing?

11 THE COURT: The affidavit is the direct testimony,
12 so the affiant is still subject to cross-examination. If
13 you all work out an agreement that I'm not going to
14 challenge the affidavit of X and I waive cross-examination,
15 then I'll take the affidavit at face value, but the
16 affidavit is only the direct testimony. It doesn't waive
17 the other side's right to cross-examine.

18 MR. NOLAN: All right. Thank you, Your Honor.

19 MS. HADDEN: Thank you, Your Honor.

20 THE COURT: All right. So, then those of you who
21 are logged in for the sale motion or the Sartison adversary,
22 if you all -- you're all welcome to stay but you're also
23 free to go before we go to our other matter.

24 MS. HADDEN: Thank you, Your Honor.

25 CLERK: The next matter on the calendar is case

1 number -- adversary case number 20-8042, Howard Ehrenberg v.
2 Howard Schoor.

3 THE COURT: All right. And so, who is appearing
4 in that adversary proceeding?

5 MR. NOLAN: Jeff Nolan appearing on behalf of the
6 plaintiff liquidating Trustee.

7 MR. CAMPBELL: Good morning, Your Honor. Don
8 Campbell from the law firm of Giordano Halleran & Ciesla on
9 behalf of Howard Schoor.

10 THE COURT: All right. Anyone else?

11 All right. Bear with me, then, for one minute.
12 Have you all settled?

13 MR. CAMPBELL: Unfortunately, no, Your Honor.

14 THE COURT: All right. So, then the Court has on
15 for today the ruling conference on the liquidating Trustee's
16 motion for summary judgment. The Court will now render its
17 ruling.

18 The procedural history is as follows. In this
19 adversary proceeding, 20-8042, the Trustee, Mr. Ehrenberg,
20 filed a complaint in March of 2020. That complaint
21 essentially seeks to recover \$160,000 that was paid to the
22 defendant, Mr. Schoor, in January of 2017.

23 The Trustee then moved for summary judgment on the
24 causes of actions set forth in the complaint and supported
25 that summary judgment motion with affidavits from Mr. Nolan

1 and Ms. Edith Wong, which are at docket items 29 and 30
2 along with numerous exhibits.

3 The parties under the Court's instructions had
4 also prepared and filed a joint statement of stipulated
5 facts as well as additional facts upon which the Trustee
6 relies. That document is at docket 28. The defendant, Mr.
7 Schoor, filed an objection to the summary judgment motion at
8 docket 33 but did not provide any summary judgment evidence
9 of his own.

10 The Court held a hearing on March 16th of this
11 year on the motion for summary judgment, which I'll just
12 refer to as the motion or the MSJ. The Court allowed the
13 defendant additional time to seek and submit evidence in
14 opposition to the summary judgment and specifically allowed
15 the defendant to submit affidavits from either Mr. Parmar or
16 Mr. Zaharis, who we'll talk further about.

17 The Court did subsequently receive an affidavit of
18 the defendant, Mr. Schoor, at docket 41, that affidavit
19 details a conversation that Mr. Schoor says he had with Mr.
20 Parmar in April of 2021, but the defendant did not provide
21 any direct affidavit from Mr. Parmar, Mr. Zaharis, or any
22 person who worked for any of the Debtors with knowledge of
23 the facts relevant to the pending motion.

24 The Trustee then moved to strike the predominant
25 portions of the Schoor affidavit that are the objection and

1 the motion to strike is at docket 42. The Court had set
2 today for a ruling conference, and for the reasons to
3 follow, the summary judgment motion will be granted.

4 The Court will detail now on the record a number
5 of facts relevant to the Court's determination. There are
6 no genuine -- there is no genuine dispute as to any of these
7 facts. In fact, the predominance of these facts have been
8 stipulated to by the parties. Other of these facts are
9 drawn from the defendant's own deposition made a part of the
10 summary judgment record as well as the uncontroverted
11 evidence before the Court.

12 Starting back to 2001, between the years 2001 and
13 2006, Mr. Schoor was a neighbor and at least social
14 acquaintance or friend of Paul Parmar. In June of 2009, at
15 Mr. Parmar's request, Mr. Schoor loaned him \$600,000. That
16 loan is evidenced by a promissory note executed by Mr.
17 Parmar in favor of Mr. Schoor.

18 At that time in 2009 Mr. Parmar was a
19 businessperson interested in a variety of ventures, but
20 relevant here he later became a principal of one or more of
21 the entities that are now Debtors before this Court or were
22 acquired by or merged into one or more of the Debtors before
23 this Court. That list of Debtors is detailed in the
24 complaint and the summary judgment motion is uncontroverted.

25 In August of 2009, on August 31st, Mr. Schoor sent

1 a letter to Mr. Parmar advising that the repayment of the
2 \$600,000 loan was late, and Mr. Schoor stated, quote, "You
3 clearly indicated your need was for a few weeks of payroll
4 while you resolved an IRS lien placed on multiple accounts
5 and freed up other assets. Your request and my reply was
6 based on," quote, "'our friendship,'" close quote, "and not
7 a business deal." That's stipulation 7 at docket 28.

8 In August of 2010, Mr. Schoor sent a follow-up e-
9 mail stating, "I would greatly appreciate payment on the
10 balance of your personal loan. Again, I repeat, this loan
11 was done on the basis of our friendship, not as a business
12 investment."

13 Fast forwarding several years now to 2017, Mr.
14 Parmar on January 4, 2017 directed an e-mail to Mr. Zaharis
15 who at that time was a high-ranking officer of one or more
16 of the Debtors. Mr. Parmar directed that the balance of his
17 loan owed to Mr. Schoor be repaid and be paid with money of
18 one or more of the Debtors.

19 The next day, on January 5, 2017, one or more of
20 the Debtors transferred \$100,000 to Mr. Schoor to a Debtor
21 bank account. The next day, January 6th, Mr. Schoor was
22 sent another \$60,000 from a bank account owned by one or
23 more of the Debtors. Those two payments, the \$100,000 and
24 the \$60,000, are the transfers at issue in this adversary
25 proceeding.

1 Questions were then raised internally at the
2 Debtors' specifically by an accounting manager as to why
3 these payments were made to Mr. Schoor from the Debtors. In
4 response on May 20, 2017, Mr. Zaharis e-mailed Mr. Parmar
5 stating, "We need to come up with an invoice for a reason
6 for the payments made to Mr. Schoor." That e-mail is part
7 of the summary judgment record attached to the affidavit of
8 Ms. Wong.

9 The next day on a Sunday, May 21, Mr. Zaharis
10 prepared a service and retainer agreement which identified
11 Mr. Schoor as a consultant of the Debtor and then told Mr.
12 Parmar that he, quote, "needed to beef up the deliverables
13 for the Howard Schoor agreement." That e-mail is also
14 before the Court.

15 The next morning on May 22, 2017, Mr. Zaharis
16 forwarded a consulting agreement to Mr. Schoor. That
17 consulting agreement was backdated to August 1, 2016 and
18 identified Mr. Schoor as a consultant for the Debtor. That
19 e-mail is also before the Court as well as the document.
20 That document was never signed or authorized by Mr. Schoor.

21 It's undisputed that Mr. Schoor was never a vendor
22 of any of the Debtors. He never sold product to Debtors.
23 He never performed services for any of the Debtors. He
24 simply made a personal loan to Mr. Parmar in 2019. When
25 that personal loan had been repaid in partial payments prior

1 to 2017, Mr. Schoor was paid personally by Mr. Parmar.

2 In December of 2019, the liquidated Trustee, Mr.
3 Ehrenberg, sent a letter to Mr. Schoor asking that he return
4 the \$160,000. Shortly thereafter in February of 2020, Mr.
5 Schoor e-mailed Mr. Parmar advising him of the Trustee's
6 demand letter and requested that Mr. Parmar, quote, "review
7 and advise of your thoughts about my/our defense," close
8 quote.

9 In addition, Mr. Schoor asked Mr. Parmar to
10 provide any details as to what companies or what operations
11 he had used the loan proceeds for back in 2009. Mr. Parmar
12 never responded.

13 From this Court's review of the uncontroverted
14 evidence, there is no genuine issue of material fact as to
15 any of the allegations raised by the Trustee which are
16 necessary for the Court to determine in order to grant
17 summary judgment and therefore the Trustee is entitled to
18 judgment as a matter of law.

19 The competent summary judgment before the Court
20 demonstrates that the two payments made in January of 2017
21 were made with actual fraudulent intent by the Debtors. The
22 standard is not what intent did Mr. Schoor have when he
23 received the payments. The standard is what was the intent
24 -- what was the reason behind the Debtors, one or more of
25 the Debtors, making the payments at the time they were made.

1 The Court -- because the Court has concluded that
2 they were -- there is adequate evidence for the Court to
3 determine that they were made with actual fraudulent intent,
4 both transfers may be avoided under the Bankruptcy Code
5 under Section 548(a)(1)(A) and under New York Debtor &
6 Creditor Law, Section 276.

7 In reaching these determinations, the Court is
8 relying only on the competent summary judgment effort --
9 evidence in the record. As has been long clear, and this
10 was noted by the 2nd Circuit almost 50 years ago in Dressler
11 v. MV Sandpiper, 331 F.2d 130 (2d Cir. 1964), it is
12 necessary that the Court only rely on competent evidence to
13 reach its determinations because only in this way may the
14 underlying objective of the summary judgment procedure to
15 determine whether one side has no real support for its
16 versions of the facts can be satisfied.

17 Here, the plaintiff has well documented the
18 evidence in support of his motion through the affidavits and
19 the declarations and the exhibits provided, particularly
20 those of Mr. Nolan and its attachments and Ms. Wong and hers
21 as well as the stipulated facts submitted by the parties.

22 When a party such as the defendant offers facts to
23 support his contention that there are genuine issues of
24 material fact, it must comply with Rule 56C which requires
25 that an affidavit or a declaration be used to oppose a

1 summary judgment motion as well as to support such a motion
2 be made on personal knowledge and set out facts that would
3 be admissible in evidence and show that the declarant is
4 competent to testify on the matters stated.

5 The only evidence submitted by the defendant, his
6 affidavit relating a conversation that he says he had with
7 Mr. Parmar in April of 2021, is classic hearsay. Mr. Schoor
8 is attempting to provide testimony not based on what he
9 knows or could prove at trial but what -- but on what he
10 says Mr. Parmar would say if called to testify at trial.

11 That affidavit attempts to prove that the original
12 loan he made in 2009 was to be used to pay certain business
13 debts, but again, it's a hearsay statement and it fails to
14 provide any specificity as to what purported business debts
15 it would have been paying and is also in opposition to the
16 history of the e-mails and communications between Mr. Schoor
17 and Mr. Parmar.

18 For those reasons, the statements contained within
19 paragraph 7 through 14 of the -- of the Schoor affidavit are
20 stricken as not in compliance with Rule 56 and are
21 inadmissible.

22 Turning then specifically to Section 548(a)(1)(A)
23 of the Bankruptcy Code, in order to prevail on such a
24 fraudulent transfer claim, three elements must be
25 established. The property at issue must have been property

1 in which the Debtor had an interest at the time transferred.
2 There's no controversy on that issue.

3 The transfer must have occurred within two years
4 prior to the petition date. There's no controversy on that
5 issue, either. And the third element that the transfer must
6 have been made with actual intent to hinder, delay, or
7 defraud a creditor. See In Re: Bruno MacHinery Corp., 435
8 B.R. 819 (N.D.N.Y. 2010) and In Re: Bayou Group, 396 B.R.
9 810 (S.D.N.Y. Bankr. 2008).

10 Here, it's clear from the uncontroverted evidence
11 before the Court that Mr. Parmar and Mr. Zaharis attempted
12 to create a sham to disguise the reason why the Debtors made
13 the payments to Mr. Schoor on Mr. Parmar's personal debt.

14 This includes the e-mail string that the Court has
15 already referred to including specifically the May 20, 2017
16 statement of Mr. Zaharis to Mr. Parmar, "We need to come up
17 with an invoice for a reason to pay Schoor," and then the
18 creation of the back-dated consulting agreement, which
19 there's no evidence in the record to support there was any
20 business reason nor any evidence that it actually existed at
21 any time on or near 2016.

22 The fact that Mr. Zaharis and Mr. Parmar went to
23 lengths to fabricate a reason why the Debtors paid Mr.
24 Schoor is clear, convincing, and uncontroverted evidence
25 that the payments themselves were made with intent to

1 defraud creditors, one or more.

2 It's also uncontroverted that plaintiff has
3 provided evidence that there were creditors who existed in
4 January of 2017 when the payments were made who remained
5 unpaid at the time of the bankruptcy case and still remain
6 unpaid.

7 The Court has before it a judgment that was
8 entered in the Southern District of Texas for obligations
9 owing to Jack McBride and Alan Knottingham. Those two
10 gentlemen also filed a claim in the case. They claimed
11 10,000 and won. That judgment and those -- that claim
12 remain unpaid.

13 The Court has determined that the liquidating
14 Trustee has also met his burden of proof under New York
15 Debtor & Creditor Law Section 276, which provides that every
16 conveyance made and every obligation incurred with actual
17 intent to hinder, delay, or defraud either present or future
18 creditors is fraudulent both as to present and future
19 creditors. See In Re: MarketXT Holdings, 376 B.R. 390
20 (Bankr. S.D.N.Y.) as well as (indiscernible) Distributors.

21 The evidence again that this Court is relying on
22 are the fake consulting agreement which was attempted to be
23 backdated to create a business justification for one or more
24 of the Debtors having paid Mr. Parmar's personal obligation.
25 That document and the contemporaneous e-mails concerning the

1 creation of that document and the fact that that document or
2 those e-mails were wrote after an internal accounting
3 manager of one or more of the Debtors questioned the
4 payments to Mr. Schoor constitute clear and convincing
5 evidence of an actual fraudulent intent to pay Mr. Schoor
6 and thereby place those funds beyond the reach of legitimate
7 creditors of the Debtors.

8 This Court has also reviewed the badges of fraud
9 that many courts often look at to determine whether or not
10 an actual fraud or fraudulent transfer can be found, and in
11 those badges of fraud, as an alternative basis, the Court
12 could find a violation of Section 276.

13 I'll briefly discuss each of the six badges of
14 fraud typically cited. First is gross inadequacy of
15 consideration. Again, here the Debtors didn't owe any Mr.
16 Schoor any money yet the Debtors made the payments. That
17 evidence is grossly inadequate consideration.

18 As far as a close relationship between the
19 transferor and transferee, certainly Mr. Schoor and Mr.
20 Parmar were neighbors and friends, at least in 2016 -- 2009
21 when the loan was made and apparently had an adequate
22 relationship in 2017 that Mr. Parmar set upon a course to
23 have one or more of the Debtors repay the balance of their
24 loan which was a personal loan and never a business loan.

25 As far as the third badge in solvency, the

1 evidence is not as strong on whether or not the Debtors were
2 or were rendered insolvent at the time of the transfers.
3 There's evidence before the Court that in January just
4 before the payments were made in 2017 the Debtors were
5 juggling their financial commitments and funds available and
6 had to, quote, "short pay" certain other creditors in order
7 to pay Mr. Schoor. Specifically, it was asked if the
8 Debtors can short pay India and use the \$160,000 to pay Mr.
9 Schoor and then pay the India obligation later.

10 It's not clear from the summary judgment record,
11 though, whether or not the juggled payments due to the India
12 vendor were ultimately paid or not, but again, insolvency is
13 not necessary to be established in an actual
14 fraud/fraudulent transfer.

15 With respect to the badge of whether or not the
16 transfer was in the ordinary course of business, this was
17 clearly -- these were clearly payments made outside the
18 ordinary course of the business of the Debtors.

19 As far as the fifth and sixth badges, the secrecy
20 of the transfer, the transfers were not kept secret. In
21 fact, they were discovered and questioned by an internal
22 accounting manager. Then finally as far as retention of
23 control over the property that does not appear to be an
24 issue here.

25 On balance, the Court would find there was

1 adequate evidence under the badges of fraud to conclude as a
2 matter of law that these transfers were actual fraudulent
3 transfers.

4 Finally, as I've partly noted, in an actual fraud
5 transfer under the New York DCL, it is not necessary to
6 prove insolvency or even prove unfair consideration. As the
7 first appellate department noted in *Wallstreet Associates v.*
8 *Brodsky*, DCL 276, until Sections 273 and 275, concerns
9 actual fraud as opposed to constructive fraud and does not
10 require proof of unfair consideration or insolvency, 257
11 A.D.2d 526 (1st Dept 1999.) See also *Korea Deposit*
12 *Insurance Corp. v. Young*, 59 (indiscernible) 442, Superior
13 Court New York County -- Supreme Court New York County 2017.

14 Under DCL 276, a transfer made with actual intent
15 to hinder, delay, or defraud present or future creditors is
16 fraudulent (indiscernible) such creditors whether or not the
17 Debtor receives fair consideration. See *United States v.*
18 *McCombs*, 30 F.3d 310 (2d Cir. 1994.)

19 Finally, the Court notes that Mr. Schoor attempted
20 to allege that the funds that he advanced Mr. Parmar were
21 somehow used on expenses of one or more businesses. There's
22 simply no evidence in the record, no competent evidence in
23 the record, to support that.

24 For the reasons stated on the record, summary
25 judgment is granted in favor of the liquidating Trustee for

1 recovery of the \$160,000 plus post-judgment interest
2 thereon.

3 The Trustee in the motion had made a request but
4 did not brief or provide invoices on attorney's fees
5 incurred in connection with this litigation. The Court will
6 use the following protocol to determine whether or not to
7 grant attorney's fees to the Trustee and if so in what
8 amount.

9 The Trustee has 14 days from today, so that's June
10 17th, to submit any invoices which can be redacted for
11 privilege or work product but should be submitted with a
12 summary attached concerning any legal fees or out-of-pocket
13 expenses incurred in connection with this litigation as well
14 as any case law or argument in support of the grant of
15 attorney's fees.

16 Mr. Schoor will then have 14 days thereafter to
17 file any response. Again, on an issue of attorney's fees I
18 don't need a reply. Because of the July 4th holiday, that
19 response will be due on January -- excuse me -- on July 7.

20 So, June 17 for any attorney's fee invoices and
21 summary as well as argument and support and then July 7 for
22 any response. The Court is also awarding costs incurred in
23 connection with the litigation as provided under the rules.

24 Mr. Nolan, I'm going to -- I'm going to have your
25 office submit a form of judgment, but because I've taken the

1 attorney's fees portion on submission on this protocol, I'm
2 simply going to wait and enter one final judgment at the
3 end. There's nothing else in the litigation to be resolved
4 other than whether or not to award attorney's fees unless
5 there's something that we haven't addressed today.

6 MR. NOLAN: That's correct, Your Honor. This is
7 just the -- just the two parties to the litigation, to the
8 dispute, and I believe I submitted a proposed order to the
9 motion. I'll look to make sure that that was in fact the
10 case and that's acceptable to the Trustee.

11 THE COURT: All right. So, again, I'll be
12 entering one order. My protocol, as well as many other
13 trial courts, I'll enter one order granting the motion and
14 then one judgment in the amounts that the Court has
15 determined, but I'm not going to enter a partial judgment
16 now and then a final judgment after I resolve attorney's
17 fees. I'm just going to enter one order and one judgment at
18 the end.

19 MR. NOLAN: That's -- understood, Your Honor.

20 THE COURT: All right. All right. Mr. Campbell?

21 MR. CAMPBELL: Yes, Your Honor.

22 THE COURT: I -- anything that you want to address
23 or any questions about the timing mechanics?

24 MR. CAMPBELL: Not at this time, Your Honor.

25 Thank you, Your Honor.

1 THE COURT: All right. All right, very well. So,
2 then we'll be adjourned on 20-8042. I'm not going to set a
3 further hearing because what remains to be resolved in the
4 adversary proceeding will be on submission as of July 7th.

5 MR. NOLAN: Understood.

6 THE COURT: All right. Very well.

7 MR. CAMPBELL: Thank you, Your Honor.

8 THE COURT: Thank you both.

9 MR. NOLAN: Thank you, Your Honor.

10 THE COURT: So, that will conclude then the
11 Court's calendar for the morning of July the 3rd. The Court
12 will be in recess and we'll go off the record.

13 (Whereupon these proceedings were concluded)

14

15

16

17

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

I N D E X

RULINGS

Page Line

Motion Granted

14 32

C E R T I F I C A T I O N

I, Sonya Ledanski Hyde, certified that the foregoing transcript is a true and accurate record of the proceedings.

Sonya Ledanski Hyde

Veritext Legal Solutions

330 Old Country Road

Suite 300

Mineola, NY 11501

Date: June 14, 2021

&	18:2,11 19:18	3	7
& 4:3,18 5:1,8 28:8 34:5 37:15	20:10,16 22:15 23:5,24 25:20	3 2:5 30 29:1 40:18	7 31:7 35:19 41:19 41:21
0	20 32:4 36:15	300 5:3 45:22	747 5:10
07701 5:4	20-08042 1:4 20-8042 28:1,19	310 40:18	780 4:5
1	43:2	31st 30:25	7th 43:4
1 32:17 34:5 35:22	20-8051 6:11	32 44:6	8
10 21:11	2001 30:12,12	33 29:8	8007 9:25
10,000 37:11	2006 30:13	330 45:21	810 36:9
100,000 31:20,23	2008 36:9	331 34:11	819 36:8
10007 4:14	2009 30:14,18,25	34th 4:5	8500 4:13
10016 4:22	33:11 35:12 38:20	363 19:16	9
10017 4:6 5:11	2010 31:8 36:8	376 37:19	906 4:21
10:11 2:6	2016 32:17 36:21	390 37:19	9th 24:16,22 25:2
11501 45:23	38:20	396 36:8	25:17,23
11722 2:3	2017 28:22 31:13	3rd 43:11	a
12 8:10	31:14,19 32:4,15	4	a.d.2d 40:11
125 5:3	33:1,20 36:15	4 31:14	ability 11:9
12j 6:21	37:4 38:22 39:4	4.8 13:13,18	able 11:13 12:1
130 34:11	40:13	41 29:18	15:10
14 35:19 41:9,16	2018 12:15	42 30:1	absolutely 9:9
44:6 45:25	2019 32:24 33:2	43 3:1	absurd 15:19
14th 21:11 22:6	2020 28:20 33:4	435 36:7	acceptable 42:10
22:14,20,22 24:23	2021 2:5 29:20	442 40:12	access 12:5,14,20
25:3 26:1,3,13	35:7 45:25	4th 41:18	14:19,23,24
15th 22:21	20th 5:10	5	account 31:21,22
16 26:4	21 32:9	5 24:21 25:2,17,23	accounting 32:2
160,000 28:21	22 32:15	31:19	38:2 39:22
33:4 39:8 41:1	232 4:21	50 34:10	accounts 31:4
16th 22:21,25	257 40:10	526 40:11	accrual 13:24
23:24 24:18 29:10	27 3:4	54 20:4,14	accurate 45:4
17 19:12 41:20	273 40:8	548 34:5 35:22	acquaintance
17th 41:10	275 40:8	54b 21:10 24:20	30:14
18-71748 1:3 6:8	276 34:6 37:15	56 35:20	acquired 30:22
1964 34:11	38:12 40:8,14	56c 34:24	action 15:4
1994 40:18	28 29:6 31:7	59 40:12	actions 28:24
1999 40:11	29 29:1	6	actual 33:21 34:3
1st 40:11	290 2:2	60,000 31:22,24	36:6 37:16 38:5
2	2d 34:11 40:18	600,000 30:15	38:10 39:13 40:2
2 4:12 6:20 7:11	2nd 34:10	31:2	40:4,9,14
7:22 8:16 9:20		6th 31:21	added 23:8
13:10,22 17:11			

addition 9:7 16:17 33:9 additional 29:5,13 address 26:25 42:22 addressed 42:5 addressing 9:21 adduce 8:25 adequate 18:18 18:24 34:2 38:21 40:1 adequately 19:16 adjourned 43:2 admissible 35:3 adv 1:4 advance 21:19,23 advanced 20:24 40:20 adversary 6:10,21 7:10,24 14:14 24:19 27:2,21 28:1,4,19 31:24 43:4 advise 33:7 advised 21:7 advising 31:1 33:5 affiant 27:12 affidavit 22:3 24:7,10 27:7,9,11 27:14,15,16 29:17 29:18,21,25 32:7 34:25 35:6,11,19 affidavits 21:19 21:22 22:2 25:14 25:16,22,25 26:5 26:9 28:25 29:15 34:18 affirmative 18:2 afternoon 22:20 age 21:1 ago 15:21 19:12 19:12 34:10	agreement 11:23 27:13 32:10,13,16 32:17 36:18 37:22 ahead 17:8 22:2 al 1:13 6:12 alan 2:22 6:3 37:9 allegations 33:15 allege 40:20 allowed 29:12,14 allowing 9:3 alternative 38:11 amended 3:1 amount 9:10 11:10 12:21 15:9 15:10 19:24 41:8 amounts 42:14 amy 6:2 answer 19:20 23:20 anticipate 18:7 21:25 antsy 14:16 anybody 13:16 26:21 apart 15:22 apartment 6:21 7:11,16,18 9:15 10:3,8,8,11,20 11:3 12:14 15:5 15:20,23 16:16,18 16:22,24,25 17:23 apologize 14:5 apparently 38:21 appeal 8:1,3,13,13 8:15,22,22 9:8,23 10:13,22 15:17,18 16:1,3,3 20:8,11 20:16,20 21:10 23:5,17 24:2,21 25:7 appealable 8:20 10:21	appealed 10:16 appear 7:22 39:23 appearances 6:9 appearing 6:12 28:3,5 appears 8:1 11:22 appellate 10:15 40:7 application 11:8 23:8,9 appreciate 31:9 approach 24:14 appropriate 9:16 19:1,24 approve 20:23,23 april 29:20 35:7 arguably 11:15 argue 22:6 argument 41:14 41:21 arguments 7:4 15:5 arrears 9:11,14 9:18 14:17 16:9 16:13 arvind 5:9 aside 13:19,22 asked 19:19 33:9 39:7 asking 10:24 24:13 25:3 33:3 asks 20:15 aspect 18:11 asset 9:13 10:14 10:25 11:15,18 14:6,7 16:10,12 17:10 assets 13:23 31:5 associated 9:15 16:7 associates 5:8 40:7	ast 1:3,4 attached 32:7 41:12 attachments 34:20 attempt 10:19 11:14 12:5 attempted 36:11 37:22 40:19 attempting 8:16 10:6 35:8 attempts 35:11 attorneys 4:4,12 4:19 5:2,9 attorney's 41:4,7 41:15,17,20 42:1 42:4,16 august 30:25,25 31:8 32:17 authorized 14:23 32:20 available 22:14 23:23 39:5 avenue 4:5,21 5:10 avoided 34:4 avoiding 13:24 award 42:4 awarding 41:22 aware 10:1,12 11:1 12:10 23:14
b			
b 2:21 b.r. 36:8,8 37:19 back 8:6,23 30:12 33:11 36:18 backdated 32:17 37:23 badge 38:25 39:15 badges 38:8,11,13 39:19 40:1 balance 31:10,16 38:23 39:25			

bank 5:4 31:21,22 bankr 36:9 37:20 bankruptcy 1:1 2:1,23 6:24 10:12 23:14 34:4 35:23 37:5 based 7:6,6 8:24 10:5 15:18 24:15 31:6 35:8 basis 31:11 38:11 bayou 36:8 bear 28:11 beef 32:12 beginning 26:10 behalf 6:15,17,20 11:22 13:17 14:23 18:21 27:6 28:5,9 believe 17:17 19:3 23:20 42:8 believed 10:17,17 best 17:10 20:2 better 10:7 13:12 14:1 21:1 22:11 beyond 38:6 bid 15:9 bit 26:16 board 4:19 6:18 9:12 11:19 12:20 12:24 13:5,17 14:16 18:22 19:4 19:5,8 25:21 bond 9:10,17 11:8 11:10 16:8 bottles 21:1 brief 8:9 41:4 briefly 38:13 bring 13:12 19:18 brodsky 40:8 broker 17:15 bruno 36:7 build 14:17 building 12:5,6	burden 37:14 business 31:7,11 35:12,14 36:20 37:23 38:24 39:16 39:18 businesses 40:21 businessperson 30:19	check 19:3 22:24 chief 6:3 ciesla 5:1 28:8 cir 34:11 40:18 circuit 34:10 circumstances 20:19 cited 38:14 claim 14:19 16:23 35:24 37:10,11 claimed 37:10 classic 35:7 clear 34:9 36:10 36:24 38:4 39:10 clearly 31:3 39:17 39:17 clerk 6:2,7 27:25 client 11:22 17:22 17:24 18:22 19:4 client's 12:4 14:4 14:5 close 31:6 33:7 38:18 cmecf 8:3 code 10:12 34:4 35:23 come 8:23 24:14 32:5 36:16 comments 24:6 commitments 39:5 common 15:3 communications 35:16 companies 33:10 company 14:22 14:22,24 34:24 competent 33:19 34:8,12 35:4 40:22 complaint 28:20 28:20,24 30:24	completely 13:1 compliance 35:20 concerning 7:11 37:25 41:12 concerns 40:8 conclude 40:1 43:10 concluded 34:1 43:13 conditioned 9:9 9:17 conditions 16:7 condo 9:12 13:5 condominium 4:20 6:18 19:8 conference 28:15 30:2 conflict 22:13,20 conjecture 16:6 connection 24:7 41:5,13,23 connoisseur 20:25 consider 25:10,15 consideration 18:13,24 38:15,17 40:6,10,17 constitute 26:5 38:4 constructive 40:9 consultant 32:11 32:18 consulting 32:16 32:17 36:18 37:22 contained 35:18 contemplate 18:22 24:14 contemplating 17:7 18:3 contemporaneous 37:25 contend 13:16 contending 18:12
	c c 4:1 6:1 45:1,1 calendar 27:25 43:11 call 6:6 called 35:10 calling 18:8 campbell 5:6 28:7 28:8,13 42:20,21 42:24 43:7 capacity 1:12 case 1:3,4 6:10,22 11:13 12:11,18 14:8,13 27:25 28:1 37:5,10 41:14 42:10 catastrophic 17:2 caused 9:12 causes 28:24 center 4:13 central 2:3 certain 20:21 35:12 39:6 certainly 10:9 11:11 12:10 13:15 13:17 16:4 17:12 20:17 38:19 certified 45:3 challenge 8:16 18:17 20:11 27:14 chance 9:6,6 24:11 charged 15:21 charges 12:16,23 15:3 16:14		

contention 15:19 34:23 continue 14:17 continued 13:24 continuing 14:1 control 26:14 39:23 controlled 21:18 controversy 25:10 36:2,4 conversation 23:19 29:19 35:6 conveyance 37:16 convincing 36:24 38:4 corp 36:7 40:12 correct 11:25 17:17 42:6 cost 12:22,23 costs 11:18 13:24 41:22 counsel 6:24 18:7 24:7 country 45:21 county 40:13,13 couple 12:2,15 15:14 course 23:7 38:22 39:16,18 court 1:1 2:1 6:5,9 7:3,6,13,20,21 8:1 8:10,11 9:2,19 10:11,25 11:10,12 11:17 12:18,24 13:3,11,14,19,21 14:10,20 15:4,6 15:12,15 17:5,19 18:1,10,15,20 19:10,13 20:2,5,8 20:18,21,23 21:24 22:3,15,18,24 23:2,4,5,11,13,14 23:15,22,25 24:12	24:18 25:1,14 26:15,20 27:5,8 27:11,20 28:3,10 28:14,14,16 29:10 29:12,17 30:1,4 30:11,21,23 32:14 32:19 33:16,19 34:1,1,2,7,12 36:11,14 37:7,13 37:21 38:8,11 39:3,25 40:13,13 40:19 41:5,22 42:11,14,20,22 43:1,6,8,10,11 court's 8:6,11 10:2 12:8 17:7,7 19:22 20:11 23:10 courtroom 6:3 22:10,22 courts 38:9 42:13 court's 26:2 29:3 30:5 33:13 43:11 covered 16:15 create 36:12 37:23 creation 36:18 38:1 creditor 34:6 36:7 37:15 creditors 37:1,3 37:18,19 38:7 39:6 40:15,16 criminal 18:7 cross 21:20 24:4 26:6 27:12,14,17 current 13:13 14:9 16:13 currently 8:17	dance 20:7 daniel 6:23 date 7:17 36:4 45:25 dated 36:18 day 22:21 31:19 31:21 32:9 days 8:10 21:11 21:22 22:2 41:9 41:16 dcl 40:5,8,14 deal 31:7 debt 36:13 debtor 1:10 31:20 32:11,18 34:5 36:1 37:15 40:17 debtors 29:22 30:21,22,23 31:16 31:18,20,23 32:3 32:22,22,23 33:21 33:24,25 36:12,23 37:24 38:3,7,15 38:16,23 39:1,4,8 39:18 debtors' 32:2 debts 35:13,14 december 33:2 decide 24:15 25:1 25:21 decision 13:22 declarant 35:3 declaration 17:15 34:25 declarations 18:2 34:19 defaulted 15:3 defendant 15:17 28:22 29:6,13,15 29:18,20 34:22 35:5 defendants 1:17 6:21	defendant's 30:9 defense 33:7 defraud 36:7 37:1 37:17 40:15 delay 21:5,13 36:6 37:17 40:15 deliver 26:20 deliverables 32:12 demand 33:6 demonstrates 33:20 denial 12:14,20 denied 14:23,24 deny 14:19 department 40:7 deposit 40:11 deposition 30:9 depreciation 16:10,12 deprivation 12:22 12:22 depriving 12:20 dept 40:11 deputy 6:3 detail 30:4 detailed 30:23 details 29:19 33:10 determination 11:16 20:19 30:5 determinations 34:7,13 determine 8:12 24:18 33:16 34:3 34:15 38:9 41:6 determined 37:13 42:15 didn't 17:19 23:4 38:15 direct 14:12 16:15 21:18 24:9 26:5 27:11,16 29:21
	d		
	d 6:1,16 44:1 damage 16:18,20 16:21		

directed 31:14,16 disagrees 17:11 discovered 39:21 discuss 18:6 38:13 discussed 13:4 disguise 36:12 dismissed 8:14,15 9:23 dispute 30:6 42:8 disputes 21:7 distributors 37:20 district 1:2 8:1,10 20:21 23:5,13 37:8 docket 8:3 20:2 29:1,6,8,18 30:1 31:7 document 29:6 32:19,20 37:25 38:1,1 documentary 25:24 documented 34:17 documents 25:23 25:25 doesn't 27:16 dog 14:12 doing 11:14 don 28:7 donald 5:6 don't 21:3 26:10 41:18 double 19:3 doubt 13:10 drawn 30:9 dressler 34:10 due 9:12 24:22 25:25 26:13 39:11 41:19	e e 2:21,21 4:1,1 6:1 6:1 31:8,14 32:4,6 32:13,19 33:5 35:16 36:14 37:25 38:2 44:1 45:1 easily 11:5 eastern 1:2 22:7 23:2,24 ecro 2:25 edith 29:1 effect 9:22 effort 34:8 ehrenberg 1:12 3:2,5 27:1 28:1,19 33:3 ehrenburg 6:11 6:25 17:16 22:13 22:25 23:23 either 7:9 9:8 10:22 11:4 14:12 29:15 36:5 37:17 element 36:5 elements 35:24 endeavor 11:11 ends 7:19 enforced 16:2 enter 42:2,13,15 42:17 entered 7:24 26:18 37:8 entering 42:12 entities 30:21 entitled 17:12 20:17 33:17 equal 13:5 essentially 9:13 10:10 21:25 28:21 established 35:25 39:13 estate 9:14 10:14 10:14 13:8 15:22	et 1:13 6:12 etcetera 11:19 13:25 event 18:5 26:8 everybody's 17:10 evidence 18:23 25:6,24 29:8,13 30:11 33:14 34:2 34:9,12,18 35:3,5 36:10,19,20,24 37:3,21 38:5,17 39:1,3 40:1,22,22 evidenced 30:16 evident 15:21 evidentiary 17:13 18:4,5 19:19 21:8 24:11 25:5,15,21 26:4,7,8 examination 21:20 26:6 27:12 27:14 examine 27:17 examined 24:4,4 exchanged 21:19 21:22 25:16,22 excuse 41:19 executed 30:16 executing 13:7 execution 13:11 exhibits 21:23 25:23 26:13,20 29:2 34:19 existed 36:20 37:3 exists 13:24 expect 16:6 26:10 expected 15:25 expense 16:15 expenses 9:12,15 11:19 13:25 17:1 17:22 40:21 41:13 experience 12:4	expert 18:15 extent 27:7 extremely 14:16
			f f 2:21 45:1 f.2d 34:11 f.3d 40:18 fabricate 36:23 face 27:15 fact 9:24 12:1 15:5 30:7 33:14 34:24 36:22 38:1 39:21 42:9 factors 24:2,5 facts 8:25 25:9,12 29:5,5,23 30:5,7,7 30:8 34:16,21,22 35:2 fails 35:13 fair 18:12 19:24 40:17 fairly 21:6,12 fake 37:22 fallow 15:23 far 38:18,25 39:19 39:22 fast 31:13 favor 9:2 30:17 40:25 february 33:4 federal 2:2 fee 41:20 fees 11:19 12:23 41:4,7,12,15,17 42:1,4,17 fifth 39:19 fight 14:1 15:1 17:11 fighting 14:2 figure 18:11 file 9:25 20:5 23:5 23:9,12 24:16,17 24:21 41:17

filed 3:1,4 12:18 15:23 16:2,3,3,4 23:6 24:19 25:4 25:16,22 28:20 29:4,7 37:10 filing 16:5 final 7:24 8:19,19 10:17,18,21,23 11:16 20:4,14 23:17 42:2,16 finally 10:7 39:22 40:4,19 financial 11:9 39:5 find 38:12 39:25 finding 11:3 fine 17:12 firm 28:8 first 6:6,7 7:8,22 8:4 9:10,21 20:19 23:14 38:14 40:7 fixing 16:24 flex 22:1 flood 16:22 floor 4:5 5:10 follow 30:3 31:8 following 21:25 41:6 follows 28:18 foregoing 45:3 form 10:24 41:25 format 21:24 forth 11:8 28:24 forward 9:3 10:22 13:7 15:3,7 forwarded 32:16 forwarding 31:13 found 38:10 frankly 15:19 17:3 fraud 38:8,10,11 38:14 39:14 40:1 40:4,9,9	fraudulent 33:21 34:3 35:24 37:18 38:5,10 39:14 40:2,16 free 27:23 freed 31:5 friend 30:14 friends 38:20 friendship 31:6 31:11 front 8:10 13:13 20:10 24:15 full 8:9 9:10 26:2 fully 23:10 funds 38:6 39:5 40:20 further 8:23 16:9 16:21 21:13 29:16 43:3 future 9:9 37:17 37:18 40:15	41:24 42:2,15,17 43:2 good 6:2,13,16,19 6:23 28:7 grant 8:24 20:8 20:20 33:16 41:7 41:14 granted 9:7,16 30:3 40:25 44:6 granting 10:2 42:13 great 23:25 greatly 31:9 gross 38:14 grossly 38:17 group 4:11 6:20 36:8 gyparakis 5:14	24:11 25:5,15 26:4 27:10 29:10 43:3 hearings 7:7 13:5 21:9 hearsay 35:7,13 held 17:13 29:10 he’s 24:6 high 31:15 higher 13:12 hinder 36:6 37:17 40:15 history 28:18 35:16 hold 13:2,4 14:18 holding 13:6 holdings 37:19 holes 16:19 holiday 41:18 hon 2:22 honestly 11:8 honor 6:14,19,23 7:12,14 8:8,21,23 8:24 9:7 14:15 15:13 16:11,17 17:4,18,21 18:6 19:2 22:12 23:1,3 23:6,13,23 24:1,9 27:4,18,19,24 28:7,13 42:6,19 42:21,24,25 43:7 43:9 honorable 6:3 howard 1:12,16 3:2,5 5:2 6:24 28:1,2,9 32:13 hut 14:12 hyde 3:25 45:3,8
	g	h	
g 6:1 general 6:24 25:12 generally 21:2 gentlemen 37:10 genuine 30:6,6 33:14 34:23 getting 7:15 14:16 giordano 5:1 28:8 give 21:8 22:1 given 9:14 17:3 19:20 go 10:22 12:5 13:7 15:7 19:11 20:2 24:12 27:23,23 43:12 going 6:9 9:3 13:8 15:3,8,10,20,23 23:18 24:12,14,18 24:21,25 25:8 26:11 27:13 41:24	hadden 4:16 6:19 6:20 7:13,14 9:19 9:21 11:25 13:15 14:4,21 17:19,23 18:1,5,14,19 22:15,18,19 23:3 23:4,6,12 27:19 27:24 hadden's 22:17 half 5:3 halleran 5:1 28:8 handles 16:20 handling 7:1 happening 17:2 happens 21:16 hardship 24:3 hate 17:8 haven’t 42:5 head 12:9 healthcorp 1:8,13 6:8 hearing 3:1,4 6:4 7:2 17:13 18:4,6 18:23 21:9 24:5	identified 32:10 32:18 ilan 4:9 6:14	

inadequacy 38:14 inadequate 38:17 inadmissible 35:21 include 24:2 includes 36:14 including 36:15 incurred 11:20 16:12 37:16 41:5 41:13,22 india 39:8,9,11 indicated 8:2 31:3 indiscernible 16:23 24:11 37:20 40:12,16 informally 23:7 informed 12:11 21:6 initially 9:24 12:16 injudicious 10:9 injunctive 8:24 9:9 insolvency 39:12 40:6,10 insolvent 39:2 instructions 29:3 insurance 16:23 40:12 intent 33:21,22,23 34:3 36:6,25 37:17 38:5 40:14 interest 7:23 17:10 36:1 41:1 interested 6:22 30:19 interlocutory 8:1 8:7,9,13,18 9:22 10:4,18 15:18 20:8 internal 38:2 39:21	internally 32:1 investment 31:12 invoice 32:5 36:17 invoices 41:4,10 41:20 irs 31:4 islip 2:3 issue 10:20 11:17 12:3 13:9 14:13 14:13 31:24 33:14 35:25 36:2,5 39:24 41:17 issues 9:20 17:23 17:25 19:17 21:4 21:6,11 22:6,6 24:24 25:1,2 26:17 34:23 issuing 26:15 items 29:1 it's 9:24 35:13 36:10 37:2 i'll 27:15 29:11 38:13 42:9,11,13 i'm 27:13 41:24 41:24 42:1,15,17 43:2 i've 40:4 41:25	judges 13:21 judgment 3:4 7:24 8:6,9,13,18 8:19,20 9:22 13:6 13:11,16,24 15:9 16:1,2 17:4 20:4 20:14 23:16 28:16 28:23,25 29:7,8 29:11,14 30:3,10 30:24 32:7 33:17 33:18,19 34:8,14 35:1 37:7,11 39:10 40:25 41:1 41:25 42:2,14,15 42:16,17 juggled 39:11 juggling 39:5 july 41:18,19,21 43:4,11 june 2:5 21:10 22:6,14,25 23:24 24:16,18,22,23 25:2,3,16,23 26:1 26:3,4,13 30:14 41:9,20 45:25 justification 37:23	knows 35:9 korea 40:11 kupetz 6:24 l lack 10:7 14:19 laid 21:12 26:14 26:23 late 31:2 law 4:11 6:20 11:5 28:8 33:18 34:6 37:15 40:2 41:14 lawrence 4:24 6:16 leave 8:16 ledanski 3:25 45:3 45:8 legal 41:12 45:20 legitimate 38:6 lengths 36:23 letter 31:1 33:3,6 lev 6:23,23 22:10 22:12,17,24 23:1 23:23 liability 14:22 liable 16:24 lie 15:23 lien 31:4 likelihood 9:6 limine 26:11 limited 14:22 18:9 line 44:4 lined 18:16 liquidated 33:2 liquidating 1:12 6:25 9:4 15:22 18:25 19:14 20:3 23:16 25:20 28:6 28:15 37:13 40:25 list 30:23 litigation 21:2 41:5,13,23 42:3,7 little 22:1 26:16
	j jack 37:9 january 28:22 31:14,19,21 33:20 37:4 39:3 41:19 jeff 4:8 6:14 27:6 28:5 john 19:21 joint 29:4 jones 4:3 6:15 joseph 5:18 judge 2:23 6:3,7 6:16 judgement 20:4 23:17	k kept 39:20 kind 21:16 knew 15:20 knobs 16:19 knottingham 37:9 know 9:13 11:2,6 11:9 14:10 17:6 19:20 20:18 21:17 22:5,10 24:5,13 25:3,7 26:16,21 knowing 15:4 knowledge 29:22 35:2 known 21:12	

live 12:1 26:6 living 11:24,25 llc 6:21 7:16 10:10 14:20 15:17 llc's 11:14 llp 4:3,18 5:8 loan 30:16 31:2 31:10,10,17 32:24 32:25 33:11 35:12 38:21,24,24,24 loaned 30:15 logged 27:21 long 34:9 look 38:9 42:9 looking 19:13 loss 16:14 losses 9:15 16:12 17:22 lost 13:8,9	marketed 19:16 marketing 18:17 marketxt 37:19 maryam 6:19 maryann 4:16 material 33:14 34:24 matter 1:6 6:7 7:7 18:7 27:23,25 33:18 40:2 matters 6:6,12 13:2 35:4 mcbride 37:9 mccombs 40:18 mechanics 42:23 meet 23:10 meets 11:3 merged 30:22 met 37:14 metaphysical 17:8 midst 7:17 mile 5:3 million 13:13,18 mineola 45:23 minor 16:18,20 minute 28:11 missing 16:19 mister 15:16 mitigation 12:13 moment 13:20,22 monday 26:17 monetize 17:10 monetizing 13:23 14:2,6 15:1 16:24 money 14:3 15:2 18:10 31:17 38:16 monitoring 6:25 months 19:12 mooted 8:22 morning 6:2,13 6:16,19,23 23:21 28:7 32:15 43:11	motion 3:1,4 6:10 7:5 15:24 16:5 17:6,14 19:9 20:9 21:9,10,10 23:8 24:17,20 25:6,12 27:1,21 28:16,25 29:7,11,12,23 30:1,3,24 34:18 35:1,1 41:3 42:9 42:13 44:6 motions 25:2,15 26:11 move 11:23 moved 28:23 29:24 msj 29:12 multiple 31:4 mute 6:13 22:17 mv 34:11	nolan 4:8 6:14 7:1 8:5 27:4,6,6,18 28:5,5,25 34:20 41:24 42:6,19 43:5,9 non 6:17 7:24 noon 24:23 25:3 26:1,3,13 note 16:11 30:16 noted 34:10 40:4 40:7 notes 40:19 notice 3:1 17:20 18:1 notion 15:16 number 28:1,1 30:4 numerous 29:2 ny 4:6,14,22 5:11 45:23
m		n	o
m 1:12 3:2,5 machinery 36:7 madison 4:21 mail 31:9,14 32:6 32:13,19 36:14 mailed 32:4 33:5 mails 35:16 37:25 38:2 main 6:10,22 14:13 maintaining 14:1 maintenance 11:19 13:25 making 16:13 33:25 manager 7:16 14:5 32:2 38:3 39:22 managers 4:19 6:18 managing 20:2 march 8:6 28:20 29:10		n 4:1 6:1 44:1 45:1 n.d.n.y. 36:8 near 36:21 necessarily 14:11 necessary 33:16 34:12 39:13 40:5 need 21:3 23:9 24:24 25:11,16,18 26:21 27:8 31:3 32:5 36:16 41:18 needed 32:12 needs 23:14 neighbor 30:13 neighbors 38:20 never 32:20,21,22 32:23 33:12 38:24 new 1:2 2:3 4:6,14 4:22 5:11 15:2 34:5 37:14 40:5 40:13,13 nj 5:4	o 2:21 6:1 45:1 object 19:7,8 26:11 objected 27:8 objection 29:7,25 objections 19:9,19 25:25 26:8 objective 34:14 obligation 37:16 37:24 39:9 obligations 37:8 obtained 19:24 obviously 10:11 12:7 14:19 23:12 occurred 36:3 offer 13:13 offers 34:22 office 41:25 officer 31:15 offset 12:24 oh 6:7 22:18

<p>oit 12:12 old 45:21 once 10:13,14 25:4 ongoing 9:12,14 13:2 16:13,14 17:1,22 operations 33:10 opportunity 20:11 oppose 34:25 opposed 14:2,6 40:9 opposing 7:19 opposite 12:3 opposition 18:2 23:7 29:14 35:15 optimistic 7:8 orbach 5:18 order 8:6 10:2,2,4 10:17,18,18,21 21:24 26:14,17,24 33:16 35:23 39:6 42:8,12,13,17 ordinary 39:16,18 original 35:11 orion 1:8,13 6:8 outline 7:5 outside 39:17 outstanding 10:20 outweighed 12:23 overall 7:9 owe 38:15 owed 12:23 31:17 owing 37:9 owned 14:21 31:22 owner 15:2 ownership 10:3 12:8</p>	<p>p</p> <p>p 4:1,1 6:1 p.c. 5:1 p.m. 23:24 24:22 25:2,17,23 pachulski 4:3 6:14 package 26:2 page 44:4 paid 12:16 15:3 28:21 31:17 33:1 36:23 37:24 39:12 papers 19:9 20:5 paragraph 35:19 paris 5:14 park 4:20 parlatore 4:11 6:20 parmar 9:8,16 10:10 11:8 12:13 14:21 18:8 24:3 29:15,20,21 30:14 30:17,18 31:1,14 31:16 32:4,12,24 33:1,5,6,9,11 35:7 35:10,17 36:11,16 36:22 38:20,22 40:20 parmar's 30:15 36:13 37:24 part 18:21 24:1 30:9 32:6 partial 8:18 20:3 23:17 32:25 42:15 particular 10:13 particularly 19:21 34:19 parties 7:6 13:10 21:6,20 24:17 25:10,14,24 29:3 30:8 34:21 42:7 partly 40:4</p>	<p>partner 14:25 party 6:17,22 7:23 21:18 27:7 34:22 party's 26:12,12 pattinsky 6:17 paul 30:14 pay 15:2 35:12 36:17 38:5 39:6,7 39:8,8,9 paying 9:11 11:20 13:23 16:9 35:15 payment 9:18 31:9 payments 16:13 31:23 32:3,6,25 33:20,23,25 36:13 36:25 37:4 38:4 38:16 39:4,11,17 payroll 31:3 pending 8:2 9:8 15:17,25 20:16,20 21:10 23:5 24:2 24:21 25:6 29:23 percolating 21:4 performed 32:23 permit 15:6 person 19:11 29:22 personal 7:15 11:23 31:10 32:24 32:25 35:2 36:13 37:24 38:24 personally 33:1 petition 36:4 piece 11:1,2 piittinsky 4:24 pittinsky 4:18 6:16,17 11:20 12:2,9 14:10,15 17:24 18:20 19:2 24:1</p>	<p>pittinsky's 17:22 place 38:6 placed 31:4 plaintiff 3:2,4 27:6 28:6 34:17 37:2 plaintiffs 1:14 platform 21:14 plaza 2:2 pleadings 7:6 plus 41:1 pocket 41:12 point 10:11,19,22 11:15 12:7 14:4 14:20 19:6,22 points 15:14 politely 13:6 portion 25:5 42:1 portions 26:9 29:25 position 8:5,8 9:20 10:1,5,10 11:7 12:4,17,17 12:21 13:11 14:9 16:4 19:3 positions 7:4 possession 16:16 possibility 10:13 18:8 possible 22:20 possibly 11:5 post 41:1 posting 9:10 16:8 potentially 17:21 practical 17:8,9 practice 21:17 25:12 precluding 25:6 predominance 30:7 predominant 29:24</p>
--	---	---	---

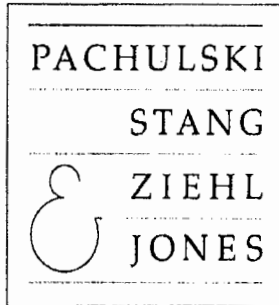
<p>premature 10:19</p> <p>premises 11:3</p> <p>prep 26:4</p> <p>prepared 21:8 29:4 32:10</p> <p>present 5:16 21:20 24:4 27:9 37:17,18 40:15</p> <p>presentment 3:1</p> <p>preserve 14:6</p> <p>presidential 25:1</p> <p>presume 17:14</p> <p>presuming 11:13</p> <p>prevail 10:23 35:23</p> <p>prevent 8:25</p> <p>price 15:8 18:12 19:6,25 20:24</p> <p>principal 30:20</p> <p>prior 7:7 32:25 36:4</p> <p>private 15:11 19:15</p> <p>privilege 41:11</p> <p>probably 22:1</p> <p>probative 19:12 19:21</p> <p>procedural 20:1 21:9 28:18</p> <p>procedurally 20:13</p> <p>procedure 13:19 13:21 19:7 34:14</p> <p>procedures 18:24 23:10</p> <p>proceed 23:25</p> <p>proceeding 6:11 7:25 12:25 13:1 24:19 28:4,19 31:25 43:4</p> <p>proceedings 11:22 12:19 43:13 45:4</p>	<p>proceeds 17:11 33:11</p> <p>process 18:17,24 19:14,15,23,23</p> <p>product 32:22 41:11</p> <p>program 22:1</p> <p>promissory 30:16</p> <p>proof 37:14 40:10</p> <p>property 7:15 8:17 9:1,4,11 11:1 11:2,24 12:21 13:8 14:2 35:25 35:25 39:23</p> <p>property's 19:16</p> <p>proposed 42:8</p> <p>protect 10:25 11:14</p> <p>protocol 7:10 21:13,14 26:19,23 41:6 42:1,12</p> <p>prove 35:9,11 40:6,6</p> <p>provide 29:8,20 33:10 35:8,14 41:4</p> <p>provided 17:15 21:23 34:19 37:3 41:23</p> <p>provides 37:15</p> <p>purchase 18:12</p> <p>purported 35:14</p> <p>purpose 8:12</p> <p>purposes 18:9 23:17</p> <p>put 12:10 13:1 17:8 19:9 21:5 24:7,10</p> <p>puts 10:9</p> <p>putting 13:19,21 17:24 18:3,22</p>	<p>q</p> <p>question 7:8,9 9:21 19:19</p> <p>questioned 38:3 39:21</p> <p>questions 7:5,21 7:21 32:1 42:23</p> <p>quite 11:21,21</p> <p>quote 31:2,6,6 32:12 33:6,8 39:6</p> <p>r</p> <p>r 2:21 4:1 6:1 45:1</p> <p>raise 8:4</p> <p>raised 7:22 17:23 17:25 32:1 33:15</p> <p>ranking 31:15</p> <p>reach 15:10 34:13 38:6</p> <p>reached 7:9 11:23</p> <p>reaching 34:7</p> <p>ready 22:5,8,9,16</p> <p>real 9:14 10:14,14 12:21 34:15</p> <p>really 19:2,12,20 19:23</p> <p>reason 9:23,24 12:9,16 21:5,13 32:5 33:24 36:12 36:17,20,23</p> <p>reasonable 9:6</p> <p>reasons 30:2 35:18 40:24</p> <p>receive 29:17</p> <p>received 33:23</p> <p>receives 40:17</p> <p>recess 43:12</p> <p>record 12:10 30:4 30:10 32:7 34:9 36:19 39:10 40:22 40:23,24 43:12 45:4</p> <p>recorded 6:4</p>	<p>recover 28:21</p> <p>recovery 41:1</p> <p>red 5:4</p> <p>redacted 41:10</p> <p>refer 29:12</p> <p>referred 36:15</p> <p>refiled 25:19</p> <p>refrigerator 16:20</p> <p>refused 12:5</p> <p>relating 35:6</p> <p>relationship 38:18,22</p> <p>relevant 29:23 30:5,20</p> <p>relief 8:24 9:7,9 9:16 10:25 24:17</p> <p>relies 29:6</p> <p>rely 25:24 34:12</p> <p>relying 24:6 34:8 37:21</p> <p>remain 37:5,12</p> <p>remained 37:4</p> <p>remains 25:9 43:3</p> <p>remedy 10:15</p> <p>render 20:13 23:17 28:16</p> <p>rendered 20:4 39:2</p> <p>repaid 31:17 32:25</p> <p>repay 38:23</p> <p>repayment 31:1</p> <p>repeat 31:10</p> <p>replies 24:24</p> <p>reply 31:5 41:18</p> <p>request 15:6,24 15:25 30:15 31:5 41:3</p> <p>requested 33:6</p> <p>require 11:12 21:22 40:10</p>

requires 34:24 residential 4:19 resolve 42:16 resolved 31:4 42:3 43:3 respect 9:8 39:15 respond 15:13 responded 33:12 response 32:4 41:17,19,22 responses 24:22 result 19:24 retain 18:19 retainer 32:10 retention 39:22 return 33:3 review 33:6,13 reviewed 38:8 right 6:5 7:3,4,20 7:23 8:11 9:19 14:10 17:5,19 18:15,20 19:10 22:10,15 23:4,11 23:15,22 27:3,17 27:18,20 28:3,10 28:11,14 42:11,20 42:20 43:1,1,6 risk 16:17,21 17:1 17:2 river 4:12 6:20 7:11,22 8:16 9:20 13:10,22 17:11 18:3,11 19:18 20:10,16 22:15 23:5 25:20 riverhouse 4:20 6:18 road 5:3 16:25 45:21 rockefeller 4:20 room 21:15 26:21 roseburg 4:18 6:17	rosen 5:8,13 rule 9:25 20:4,14 24:20 25:8,12 26:9 34:24 35:20 rules 41:23 ruling 20:9,11 28:15,17 30:2 rulings 44:3 run 21:21 s s 2:22 4:1 6:1,3 s.d.n.y. 36:9 37:20 sale 6:10 7:11,18 8:25 10:8,13 13:8 14:13,13 15:6,8,8 15:11,23 16:1,5 17:5,13 18:4,17 18:23 19:1,15,23 19:23 20:23,23 21:9 25:15 27:1 27:21 sales 19:25 sandpiper 34:11 sanford 5:13 sartison 6:12 27:2 27:21 satisfied 34:16 says 29:19 35:6,10 scenario 10:24 11:6 scharf 6:13,14 7:1 7:12 8:4,8,21 9:5 15:13,16 17:17,21 22:7,9 23:15,18 schart 4:9 schedule 22:10 schoor 1:16 5:2 28:2,9,22 29:7,18 29:19,25 30:13,15 30:17,25 31:2,8 31:17,20,21 32:3 32:6,11,13,16,18 32:20,21 33:1,3,5	33:9,22 35:7,16 35:19 36:13,17,24 38:4,5,16,19 39:7 39:9 40:19 41:16 scratches 16:19 second 7:17 9:11 secrecy 39:19 secret 39:20 section 34:5,6 35:22 37:15 38:12 sections 40:8 secure 15:11 see 8:3 12:9 16:4 20:25 21:3,5,12 24:13 26:23 36:7 37:19 40:11,17 seek 8:23 15:17 29:13 seeking 8:12 12:24 14:5 24:17 seeks 28:21 selecting 7:17 self 15:21 sell 9:4 10:6,19 15:1 23:8 selling 15:22 sense 11:18 sent 30:25 31:8,22 33:3 separate 23:9 service 32:10 services 32:23 set 11:8,10 21:24 24:16 28:24 30:1 35:2 38:22 43:2 setting 19:15 25:1 settled 28:12 settlement 7:10 seven 21:22 22:2 sever 23:16 shaking 12:9 sham 36:12	shelving 13:20 sheriff 14:17 sheriff's 15:8 short 39:6,8 shortly 33:4 shot 19:21 show 35:3 showings 24:3 side 20:1 34:15 sides 12:3 side's 27:17 signed 32:20 significant 21:5 significantly 13:18 simply 32:24 40:22 42:2 sit 17:3 situation 10:16 six 38:13 sixth 39:19 skate 24:6 social 30:13 sold 8:18 10:11,14 15:7,20 32:22 sole 11:15 solutions 45:20 solvency 38:25 somebody 16:23 20:15 somewhat 23:7 sonya 3:25 45:3,8 sorry 6:7,13 16:12 22:19 sought 8:2 southern 37:8 speak 9:2 14:24 speaking 12:7 specific 25:9 specifically 29:14 32:2 35:22 36:15 39:7
---	---	---	---

specifications 11:4 specificity 35:14 sponsoring 25:11 spot 17:24 stage 19:22 standard 22:7 33:22,23 standing 21:13,14 25:8 standpoint 17:9 25:21 26:3 stang 4:3 6:15 stanton 17:15 stanton's 22:4 25:18 starting 30:12 state 12:18,24 13:11 stated 31:2 35:4 40:24 statement 29:4 35:13 36:16 statements 35:18 states 1:1 2:1 40:17 stating 31:9 32:5 status 6:11 14:14 27:1 stay 8:2 9:8,25 10:24 15:17,24,25 16:8 20:16,20 21:10 23:5,8,10 24:2,20 25:6 27:22 stipulated 29:4 30:8 34:21 stipulation 31:7 stricken 35:20 strike 29:24 30:1 string 36:14 strong 39:1	strongly 15:6 subject 7:25 8:17 13:3 27:12 submission 42:1 43:4 submit 29:13,15 41:10,25 submits 27:7 submitted 34:21 35:5 41:11 42:8 subsequently 29:17 substantial 13:17 substantially 15:8 substantive 23:19 success 9:7 sufficient 27:9 suite 4:13,21 5:3 45:22 sulmeyer 6:24 summary 3:4 28:16,23,25 29:7 29:8,11,14 30:3 30:10,24 32:7 33:17,19 34:8,14 35:1 39:10 40:24 41:12,21 sunday 32:9 superior 40:12 support 15:1 34:15,18,23 35:1 36:19 40:23 41:14 41:21 supported 28:24 supporting 21:23 suppose 7:21 12:13 supreme 15:4 24:25 40:13 sure 15:15 19:10 42:9 suspect 23:20	suspended 12:18 synchronicity 20:21 t t 45:1,1 take 6:5,9 7:4 19:3,19 21:15,18 26:6 27:15 taken 20:20 41:25 takes 20:7 talk 16:11 18:21 29:16 talking 16:23 telephonically 5:16 temperate 11:21 tenorello 6:2,6 term 10:7 terms 7:18 terrace 4:12 6:20 7:11,23 8:16 13:22 17:11 18:3 18:12 19:18 20:10 20:16 22:16 25:20 terrace's 9:20 13:10 testify 18:16 25:11 35:4,10 testifying 25:19 26:22 testimonial 18:9 testimony 21:15 21:18 26:5,10,12 27:11,16 35:8 texas 37:8 texting 22:12 thank 9:19 15:12 17:5 23:3 27:18 27:19,24 42:25 43:7,8,9 that's 11:4 14:9 31:7 41:9 42:6,10 42:19	thereon 41:2 there'll 26:19 there's 24:25 36:2 36:4,19 39:3 40:21 42:3,5 thing 12:12 things 13:3,5,20 16:19 21:16 think 8:22 9:5 10:19 13:9,16 14:21 21:6,17 22:3 23:18 24:25 third 4:5 5:10 36:5 38:25 thoughts 33:7 three 35:24 tie 20:22 tight 26:16 time 16:3 21:4 22:2,7,23 23:1,24 29:13 30:18 31:15 33:25 36:1,21 37:5 39:2 42:24 timeline 26:15 timing 42:23 today 6:11 7:1 26:16,25 28:15 30:2 41:9 42:5 told 19:11 21:1 32:11 tomorrow 23:21 tonight 23:21 trade 4:13 transcribed 3:25 transcript 45:4 transfer 12:8 35:24 36:3,5 38:10 39:14,16,20 40:5,14 transferee 38:19 transferor 38:19 transferred 31:20 36:1
--	--	---	---

transferring 10:2 transfers 31:24 34:4 39:2,20 40:2 40:3 trial 13:21 20:18 21:21 35:9,10 42:13 true 45:4 trust 2:22 6:4 trustee 1:12 4:4 6:15,25 9:3,4 10:3 10:6,7,17 12:8 15:10,21 16:13,15 16:16 17:3,16 18:25,25 19:14,14 20:3,5,24 22:7,9 23:16,19 25:20 28:6,19,23 29:5 29:24 33:2,15,17 37:14 40:25 41:3 41:7,9 42:10 trustee's 8:5 10:1 11:7 17:14 trustee's 28:15 33:5 try 22:5 trying 18:11 turning 35:22 two 6:6 19:11 20:22 31:23 33:20 36:3 37:9 42:7 type 19:1,17 types 24:24 25:2 typical 19:16 typically 21:21 25:7 38:14	underlying 16:1 34:14 understanding 8:12 understood 42:19 43:5 undisputed 32:21 unfair 40:6,10 unfortunately 22:13 28:13 unique 11:1,2 unit 14:21 18:16 united 1:1 2:1 40:17 unknown 2:25 unoccupied 16:18 unpaid 37:5,6,12 untimely 10:6 unusual 9:14 upkeep 11:19 13:25 use 12:14 39:8 41:6	w wait 42:2 waive 27:14,16 walia 5:9 wallstreet 40:7 want 6:6 14:12,20 17:6 23:16 25:10 25:14 26:25 42:22 wanted 26:16 wants 19:18 20:3 20:16 wasting 9:13 11:18 way 11:7 20:2,13 34:13 week 22:21 weeks 15:21 31:3 weigh 14:12 25:21 welcome 20:12 27:22 went 18:25 36:22 we'll 26:2 29:16 43:2,12 who's 26:21 wine 20:25 21:1 wish 25:24 witness 18:2 21:15 25:11,19,22 26:5,12,22,22 27:9 witnesses 17:6,14 18:3 21:19 26:6 witness's 26:10 won 37:11 wong 29:1 32:8 34:20 work 12:12 27:13 41:11 worked 12:19 29:22 working 7:15 world 4:13	would've 19:9 wrote 38:2
			x x 1:5,11,18 27:14 44:1 y year 29:11 years 12:2,15 19:11 30:12 31:13 34:10 36:3 york 1:2 2:3 4:6 4:14,22 5:11 34:5 37:14 40:5,13,13 young 40:12 you'll 26:23 you're 26:11 27:22,22 z zaharis 29:16,21 31:14 32:4,9,15 36:11,16,22 ziehl 4:3 6:15 , , 31:6 'our 31:6

EXHIBIT B



LAW OFFICES
LIMITED LIABILITY PARTNERSHIP

LOS ANGELES, CA
SAN FRANCISCO, CA
WILMINGTON, DE
NEW YORK, NY

10100 SANTA MONICA BLVD.
13th FLOOR
LOS ANGELES
CALIFORNIA 90067

TELEPHONE: 310/277 6910

FACSIMILE: 310/201 0760

SAN FRANCISCO
150 CALIFORNIA STREET
15th FLOOR
SAN FRANCISCO
CALIFORNIA 94111-4500

TELEPHONE: 415/263 7000
FACSIMILE: 415/263 7010

DELAWARE
919 NORTH MARKET STREET
17th FLOOR
P.O. BOX 8705
WILMINGTON
DELAWARE 19899-8705

TELEPHONE: 302/652 4100
FACSIMILE: 302/652 4400

NEW YORK
780 THIRD AVENUE
36th FLOOR
NEW YORK
NEW YORK 10017-2024

TELEPHONE: 212/561 7700
FACSIMILE: 212/561 7777

Jeffrey P. Nolan

December 9, 2019

jnolan2@pszjlaw.com

**REPLY REQUESTED BY
December 23, 2019**

Howard Schoor
Schoor Companies, LLC
655 Park Avenue, Ste. 2
Freehold, NJ 07728

Howard Schoor
174 Carmela Court
Jupiter, FL 33478

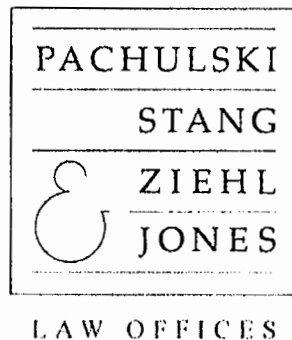
Howard Schoor
603 Mattison Avenue, Ste. 321
Ashbury Park, NJ 07712

Re: **In re: Orion HealthCorp, Inc., et al.**
USBC Eastern Dist. of New York
Case No. 18-71748 (AST)

Dear Mr. Schoor:

This firm is counsel to Howard M. Ehrenberg (the "Liquidating Trustee"), in his capacity as the Liquidating Trustee under that Liquidating Trust Agreement by and among Orion HealthCorp, Inc., Constellation Healthcare Technologies, Inc. and certain of their affiliates (collectively, the "Debtors" or "Debtor Entities"). On March 16, 2018, each of the Debtors except NYNM (the "Initial Debtors") filed a voluntary petition with this Court under chapter 11 of the Bankruptcy Code.

On April 4, 2018, the Office of the United States Trustee appointed the Committee in the Initial Debtors' chapter 11 cases pursuant to section 1102 of the Bankruptcy Code [Docket No. 82]. On July 5, 2018, NYNM filed a voluntary petition with this Court under chapter 11 of the Bankruptcy Code. On July 26, 2018, the United States Trustee appointed the Committee in NYNM's case [Docket No. 433]. The Debtors' cases including NYNM's case are jointly administered for administrative purposes only [Docket Nos. 34 and 381].



December 9, 2019
Page 2

On February 26, 2019, the Honorable Alan S. Trust, United States Bankruptcy Judge for the Eastern District of New York entered an order (the “Confirmation Order”) [Docket No. 701] confirming the Debtors’ Third Amended Joint Plan of Liquidation (the “Plan”).

As of March 1, 2019, the Plan became effective (the “Effective Date”). As of the Effective Date, the Liquidating Trustee was tasked with, among other things, the prosecution of any cause of action of the Debtors’ Estates not otherwise released under the Plan for the benefit of holders of Allowed Claims and Allowed Interests. The Liquidating Trustee has analyzed potential avoidance claims for recovery of transfers made by the Debtors. According to the Debtors’ records, you received \$100,000.00 from the Debtor on January 5, and \$60,000 on January 6, 2017 (the “Transfer”) (See bank documents attached hereto as Exhibit A). The Transfer was made on account of a personal loan to benefit Paul Parmar individually. (See email dated August 16, 2010, attached hereto as Exhibit B)

Transfers made to benefit third parties are not made for “fair” consideration under the bankruptcy code. *Christian & Porter Aluminum Co.*, 584 F.2d 326, 337 (9th Cir. 1978) (a general assignment of a debtor’s property must be considered fraudulent if not made solely for the benefit of creditors). *Id.* Citing to 4 *Collier on Bankruptcy*, P. 67.33. The transfer of \$160,000 from funds of the Debtor went to satisfy a personal obligation of Parmar. In fact, the Debtor bounced payroll obligations such that the funds could be sent on this debt.

Secondly, even assuming arguendo the Transfer was not intentionally fraudulent under 11 USC 548(a)(1)(A), the Transfer was constructively fraudulent and avoidable under 11 USC 548(a)(1)(B) as the Transfer benefitted Parmar, not the creditors of the Debtor. The term “fraudulent transfer” as used in insolvency law does not necessarily signify an element of fraud. A fraudulent transfer is one in which the debtor, voluntarily or involuntarily, conveyed to a creditor or other person property for which the debtor received less than “reasonably equivalent value...” No intent of wrongdoing is required. William L. Norton, III and Roger G. Jones, *Norton Creditors Possessive Rights Handbook*, § 11:6, (November 2003)

To the extent that a transfer is avoided under section 548, the trustee may recover, for the benefit of the estate, the property transferred, or, if the Court so orders, the value of such property from (1) the initial transferee of such transfer or the entity for whose benefit such transfer



December 9, 2019
Page 3

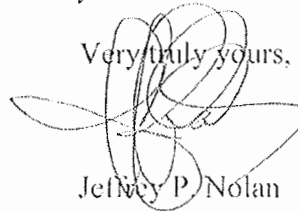
was made. *In re John Ray Hurtado*, 342 F.3d 528, 532 (6th Cir., 2003). Under section 550(a)(1) an “initial transferee” is strictly liable for any fraudulent transfers they receive. *Id.* The “initial transferee” from the debtor is strictly liable, without regard to whether he colluded with the debtor or was innocent in an unwitting recipient of fraudulently transferred property. *In re Bauer*, 318 B.R. 697, 700 (D. Minn. 2005) (citing to *Circuit Alliance*, 228 B.R. 225, 232).

The Liquidating Trustee is interested in engaging in discussions aimed toward resolving the claim without the attendant time and expense of litigation. If you share this interest in informal discussions, please contact me within the next fourteen (14) days.

This confidential letter is provided for settlement purposes only; any statements herein are inadmissible pursuant to Federal Rules of Evidence 408 and Federal Rules of Bankruptcy Procedure 9017. Nothing herein should be construed as an admission of fact or law by the Liquidating Trustee, the Debtors or their representatives.

If you have any questions regarding this demand, please contact me by phone at (310) 277-6910 or by email at jnolan@pszjlaw.com. I look forward to hearing from you.

Very truly yours,



Jeffrey P. Nolan

JPN:mam
Enclosure

EXHIBIT A

J.P.Morgan

ORION HEALTHCORP INC

Payment Detail Report

For Informational Purposes Only

PAYMENT INFORMATION

Account Number

[REDACTED]

Payment Method

Wire

Bank to Bank Transfer

No

Account Name

ORION HEALTHCORP INC

Branch Location

JPMorgan Chase Bank, N.A. (TX)

Beneficiary Bank Country

UNITED STATES - US

Bank Name

JPMORGAN CHASE BANK, N.A.

Bank Id

[REDACTED]

Payment Amount

USD 60,000.00

Value Date: 01/06/2017

Status: Completed

ROUTING INFORMATION

BENEFICIARY

Beneficiary ID Type

Account Number

Account Number

8049301783

Beneficiary Name

Howard Schoor

Country

UNITED STATES - US

Supplementary Bank ID Type

No ID

BENEFICIARY BANK

Bank ID Type

United States FED ABA

United States FED ABA

031207607

Bank Name

PNC BANK, NATIONAL ASSOCIATION

City, State/Province, Zip/Postal Code

CHERRY HILL, NJ

Country

UNITED STATES - US

Supplementary Bank ID Type

No ID

ORION HEALTHCORP INC

J.P.Morgan

Payment Detail Report

For Informational Purposes Only

INTERMEDIARY BANK

Bank ID Type

No ID

REFERENCE INFORMATION

BANK TO BANK

Charges

Priority

Remitter

No

Date Created	Payment ID	Bank Reference	Settlement Reference
01/06/2017 03:30 PM EST	31373005	4828500006JO0000	FED Ref: 0106B1QGC08C007012

RE: Support documents required for disbursements in 2017

From:

Sam Zaharis </o=exchangelabs/ou=exchange administrative group (fydiboh/23spdl)/cn=recipients/cn=ee3b50afeb8b4c0f9b7150385aa45585-sam.zaharis>

To:

Ravi Chivukula <ravi.chivukula@orienhealthcorp.com>

Date:

Sun, 14 May 2017 20:20:27 -0430

Document No	Check Date	Vendor Name	Amount	Base Curr
Wire 1/5/17	1/5/2017	VN014751--Howard School	100,000.00	USD

From: Ravi Chivukula

Sent: Sunday, May 14, 2017 7:57 PM

To: Sam Zaharis <Sam.Zaharis@constellationhealthgroup.com>

Subject: Support documents required for disbursements in 2017

Document No	Check Date	Vendor Name	Amount	Base Curr
Wire 1/5/17	1/5/2017	VN014751--Howard School	100,000.00	USD

EXHIBIT B

Message from Howard Schoor

From:

Barbara Noviello <barbara@schoorcompanies.com>

To:

Paul Parmar <"o=first organization/ou=first administrative group/cn=recipients/cn=pparmar">

Date:

Mon, 16 Aug 2010 12:46:26 -0400

Paul:

I would greatly appreciate payment on the balance of your personal loan. Again, I repeat that this loan was done on the basis of our "friendship" not as a business investment. I can certainly understand losses related to business endeavors where one invests dollars with anticipation of profits. We both know that this is not the instant case and you have an obligation to make good on your commitment which is long overdue.

I will be around for a while; when can I pick up a check?

Please advise.

Howard

Thank you,

Barbara L. Noviello

On Behalf of Howard M. Schoor

Schoor Companies LLC

655 Park Avenue, Suite 2

Freehold, NJ 07728

(732) 303-0040 (telephone)

(732) 409-7410 (fax)

barbara@schoorcompanies.com

EXHIBIT C

Ilan D. Scharf
Jeffrey P. Nolan (Admitted Pro Hac Vice)
PACHULSKI STANG ZIEHL & JONES LLP
780 Third Avenue, 34th Floor
New York, New York 10017-2024
Telephone: (212) 561-7700
Facsimile: (212) 561-7777
ischarf@pszjlaw.com
jnolan@pszjlaw.com

*Counsel for the Plaintiff,
Howard M. Ehrenberg in his capacity
as Liquidating Trustee of Orion Healthcorp, Inc., et al.,*

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

In re:	:	Chapter 11
	:	
ORION HEALTHCORP, INC.	:	Case No. 18-71748 (AST)
	:	(Jointly Administered)
Debtors.	:	

HOWARD M. EHRENBURG IN HIS CAPACITY AS	:	
LIQUIDATING TRUSTEE OF ORION	:	Adv. Pro. No. 20-08042 (AST)
HEALTHCORP,	:	
INC., ET AL.,	:	
	:	
Plaintiff,	:	
	:	
v.	:	
	:	
HOWARD M. SCHOOR,	:	
	:	
Defendant(s).	:	

PLAINTIFF'S REQUEST FOR ADMISSIONS, SET ONE

TO: Defendant, Howard M. Schoor

FROM: Plaintiff, Howard M. Ehrenberg, Liquidating Trustee Of Orion Healthcorp, Inc.,
et al.,

Pursuant to Federal Rules of Civil Procedure 36, made applicable by Federal Rule of Bankruptcy Procedure 7036, Plaintiff, by its undersigned attorneys, hereby propounds the following Requests For Admissions to Defendants. Plaintiff hereby requests that Defendant answer the following requests to admit facts, within thirty (30) days of the date of service hereof.

DEFINITIONS

1. As used in these requests for admissions, the following words and terms shall mean and include the following:

2. The term "DOCUMENT(S)" means and includes, without limitation, the following: any and all writings of whatever kind, including the originals and all non-identical copies, whether different from the originals by reason of any notation made on such copies or otherwise (including without limitation correspondence, memoranda, notes, diaries, statistics, letters, telegrams, minutes, contracts, reports, studies, checks, statements, receipts, returns, summaries, pamphlets, books, prospectuses, interoffice and intra-office communications, offers, notations of any sort of conversations, telephone calls, meetings or other communications, bulletins, printed matter, computer printouts, teletypes, telefax, invoices, work sheets, and all drafts, alterations, modifications, changes and amendments of any of the foregoing), graphic or aural records or representations of any kind (including without limitation, photographs, charts, graphs, microfiche, microfilm, videotape, recordings, motion pictures), and electronic, mechanical or electric records or representations of any kind (including without limitation tapes, cassettes, discs, recordings).

3. “CONCERN” or “CONCERNING” means relate to, refer to, describe, evidence or constitute.

4. “DEBTOR” means ORION HEALTHCORP, INC., Constellation Healthcare Technologies, Inc; NEMS Acquisition, LLC : Northeast Medical Solutions, LLC; NEMS West Virginia, LLC (unknown); Physicians Practice Plus Holdings, LLC ; Physicians Practice Plus, LLC; Medical Billing Services, Inc.; Rand Medical Billing, Inc.; RMI Physician Services Corporation; Western Skies Practice Management, Inc.; Integrated Physician Solutions, Inc.; NYNM Acquisition, LLC (unknown) Northstar FHA, LLC.; Northstar First Health, LLC; Vachette Business Services, Ltd.; Phoenix Health, LLC.; MDRX Medical Billing, LLC; VEGA Medical Professionals, LLC; Allegiance Consulting Associates, LLC; Allegiance Billing & Consulting, LLC; New York Network Management, LLC.

5. “YOU” or “YOUR” or “DEFENDANT” means Defendant, Howard M. Schoor, and shall include his agents, representatives, attorneys, accountants, and all other persons acting on his behalf or under his control.

6. “PERSON” means and includes natural persons, firms, associations, corporations, institutions, partnerships, government agencies, or other organizations cognizable at law, and their agents and employees.

7. “COMMUNICATION” means every manner or means of disclosure, transfer, or exchange of information, words, thoughts or ideas, whether orally or by document, whether face-to-face, by telephone, mail, personal delivery, electronic communication or otherwise.

8. “COMPLAINT” means the pleading Complaint For Avoidance And Recovery Of: (1) Fraudulent Transfers; And (2) Recovery Of (2) Avoided Transfers Pursuant TO 11 U.S.C. §§ 544, 548 AND 550 filed in Adv. No. 20-08042.

9. “ACTION” means the legal proceeding commenced herein with the Complaint filed against DEFENDANT in the United States Bankruptcy Court for the Eastern District of New York, Adv. No. 20-08042.

10. “TRANSFERS” means any and all payments or credits made to YOU including to or on YOUR behalf.

11. “ANSWER” means DEFENDANT’S answer to complaint and affirmative defenses filed in this adversary.

12. PETITION DATE means March 16, 2018.

13. PARMAR means Parmjit Parmar, a/k/a Paul Parmar.

GENERAL PROVISIONS AND INSTRUCTIONS

IF YOU FAIL TO COMPLY WITH THE PROVISIONS OF FEDERAL RULES OF BANKRUPTCY PROCEDURE 7026 AND 7036, INCORPORATING THE PROVISIONS OF FEDERAL RULES OF CIVIL PROCEDURE 26 AND 36, WITH RESPECT TO THIS SET OF REQUESTS FOR ADMISSIONS, THE MATTERS ABOUT WHICH AN ADMISSION ARE REQUESTED SHALL BE DEEMED ADMITTED.

REQUEST FOR ADMISSIONS

REQUEST FOR ADMISSION NO. 1:

Admit that YOU received those TRANSFERS identified on EXHIBIT "A" to the COMPLAINT.

REQUEST FOR ADMISSION NO. 2:

Admit that YOUR loan to PAMAR of \$600,000 had no restrictions as to how the funds could be used by PARMAR.

REQUEST FOR ADMISSION NO. 3:

Admit that up to the time YOU loaned the money to PARMAR, YOU had conducted no business or performed no services for the DEBTOR.

REQUEST FOR ADMISSION NO. 4:

Admit that up to the time YOU received each TRANSFER identified on EXHIBIT "A" to the COMPLAINT, YOU had conducted no business or performed no service for the DEBTOR.

REQUEST FOR ADMISSION NO. 5:

Admit that each TRANSFER identified on EXHIBIT "A" to the COMPLAINT, was received by YOU in satisfaction of a debt PARMAR owed to YOU personally.

REQUEST FOR ADMISSION NO. 6:

Admit that PARMAR advised YOU in 2009, he did not have the money to pay back the loan.

REQUEST FOR ADMISSION NO. 7:

Admit that PARMAR advised YOU in 2010, he did not have the money to pay back the loan.

REQUEST FOR ADMISSION NO. 8:

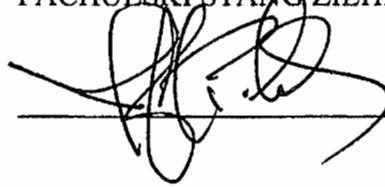
Admit that YOU sought collateral from PARMAR to secure the loan.

REQUEST FOR ADMISSION NO. 9:

Admit that the Debtor received no value as a result of the loan in 2009 to
PARMAR.

Dated: May 1, 2020

PACHULSKI STANG ZIEHL & JONES LLP

A handwritten signature in black ink, appearing to be "A. Caine", is written over a horizontal line.

Andrew W. Caine (Admitted *pro hac vice*)
Jeffrey P. Nolan (Admitted *pro hac vice*)
10100 Santa Monica Blvd., 13th Floor
Los Angeles, California 90067
Telephone: (310) 277-6910
Facsimile: (310) 201-0760

*Counsel for Plaintiff, the Rescap Liquidating Trust
and the duly authorized Liquidating Trust Manager,
Quest Turnaround Advisors, LLC*

PROOF OF SERVICE

STATE OF CALIFORNIA)
)
COUNTY OF LOS ANGELES)

I, Sophia L. Lee, am employed in the city and county of Los Angeles, State of California. I am over the age of 18 and not a party to the within action; my business address is 10100 Santa Monica Blvd., 13th Floor, Los Angeles, California 90067-4100.

On May 1, 2020, I caused to be served the **PLAINTIFF'S REQUEST FOR ADMISSIONS PROPOUNDED TO DEFENDANT, SET ONE** in this action by placing a true and correct copy of said document(s) in sealed envelopes in the U.S. mail addressed as follows:

Donald F. Campbell, Jr., Esq.
GIORDANO, HALLERAN & CIESLA, P.C.
125 Half Mile Road, Suite 300
Red Bank, NJ 07701

- ☒ (BY MAIL) I am readily familiar with the firm's practice of collection and processing correspondence for mailing. Under that practice it would be deposited with the U.S. Postal Service on that same day with postage thereon fully prepaid at Los Angeles, California, in the ordinary course of business. I am aware that on motion of the party served, service is presumed invalid if postal cancellation date or postage meter date is more than one day after date of deposit for mailing in affidavit.
- ☐ (BY FAX) I caused to be transmitted the above-described document by facsimile machine to the fax number(s) as shown. The transmission was reported as complete and without error. (Service by Facsimile Transmission to those parties on the attached List with fax numbers indicated.)
- ☐ (BY PERSONAL SERVICE) By causing to be delivered by hand to the offices of the addressee(s).
- ☐ (BY OVERNIGHT DELIVERY) By sending by **FEDERAL EXPRESS** to the addressee(s) as indicated on the attached list.

I declare that I am employed in the office of a member of the bar of this Court at whose direction was made. Executed on May 1, 2020, at Los Angeles, California.



Sophia L. Lee

EXHIBIT D

Donald F. Campbell, Jr., Esq. (DC8924-NJ)
 (Admitted Pro Hac Vice)
 Giordano, Halleran & Ciesla, P.C.
 125 Half Mile Road, Suite 300
 Red Bank, New Jersey 07701
 Tel: (732) 741-3900
 Fax: (732) 224-6599
dcampbell@ghclaw.com
 Counsel for Defendant, Howard M. Schoor

UNITED STATES BANKRUPTCY COURT EASTERN DISTRICT OF NEW YORK	
In Re: ORION HEALTHCORP, INC.	Case No: 18-71748 (AST) (Jointly Administered) Chapter: 11 Hearing Date: Judge: AST
HOWARD M. EHRENBERG IN HIS CAPACITY AS LIQUIDATING TRUSTEE OF ORION HEALTHCORP. INC., et al. Plaintiff v. HOWARD M. SCHOOR Defendant	Adv. Pro. No. 20-08042 (AST)

**DEFENDANT'S *RESPONSES* TO PLAINTIFF'S
REQUEST FOR ADMISSIONS. SET ONE**

TO: Plaintiff, Howard M. Ehrenberg, Liquidating Trustee Of Orion Healthcorp, Inc., et al

FROM: Defendant, Howard M. Schoor

Defendant, Howard M. Schoor (“Defendant”) responds to Plaintiff’s, Howard M. Ehrenberg, Liquidating Trustee Of Orion Healthcorp, Inc., et al, (“Plaintiff”) Request for Admissions, Set One.

GENERAL OBJECTIONS

1. All responses are provided without admitting that they are relevant, material or admissible for purposes of the instant litigation. Defendant hereby reserve the right to object to the admissibility into evidence of any information provided pursuant to Plaintiff’s Request for Admissions on said grounds of relevancy, materiality or admissibility or any other applicable grounds.
2. Defendant objects to Plaintiff’s Request for Admissions to the extent that they seek information that is irrelevant and not reasonably calculated to lead to the discovery of admissible evidence.
3. Defendant objects to Plaintiff’s Request for Admissions to the extent that they are vague and ambiguous.
4. Defendant objects to Plaintiff’s Request for Admissions to the extent that they are overly broad or unduly burdensome.
5. Defendant objects to Plaintiff’s Request for Admissions to the extent that they seek information already in the possession, custody and/or control of Plaintiff’s or information that is as readily accessible to Plaintiff’s as it is to Defendant.
6. Defendant objects on the grounds that a request for this category of information is unduly burdensome and that such duplicate production is expensive, time-consuming and not reasonably calculated to lead to the discovery of admissible evidence.

7. Defendant objects to Plaintiff's Request for Admissions to the extent that they request information in the possession or control of third parties. The scope of Defendant's response will be limited to only that information within the possession, custody or control of Defendant.
8. Defendant objects to Plaintiff's Request for Admissions to the extent that they seek to impose on Defendant obligations that are greater than those required by the Federal Rules of Civil Procedure.
9. Defendant objects to Plaintiff's Request for Admissions to the extent that they seek information that is protected under the attorney-client privilege and/or work-product privilege. Inadvertent production of any such information shall not constitute a waiver of any privilege or any other ground for objecting to discovery with respect to such information, nor shall such inadvertent production waive the right of Defendant to object to the use of any such information in any proceeding.
10. Defendant objects to Plaintiff's Request for Admissions to the extent that they seek information and/or documents prepared in anticipation of litigation and/or trial. Inadvertent production of any such information shall not constitute a waiver of any privilege or any other ground for objecting to discovery with respect to such information, nor shall such inadvertent production waive the right of Defendant to object to the use of any such information in any proceeding.
11. Defendant objects to Plaintiff's Request for Admissions to the extent that they seek documents, which disclose opinions, mental impressions, conclusions, strategies or legal theories of Defendant, its counsel or other representatives. Inadvertent production of any such information shall not constitute a waiver of any privilege or any other ground for

objecting to discovery with respect to such information, nor shall such inadvertent production waive the right of Defendant to object to the use of any such information in any proceeding.

RESPONSES

REQUEST FOR ADMISSION NO. 1:

Admit that YOU received those TRANSFERS identified on EXHIBIT "A" to the COMPLAINT.

RESPONSE: Admitted

REQUEST FOR ADMISSION NO. 2:

Admit that YOUR loan to PAMAR of \$600,000 had no restrictions as to how the funds could be used by PARMAR.

RESPONSE: Denied. They were intended to be used as a bridge loan for his business.

REQUEST FOR ADMISSION NO. 3:

Admit that up to the time YOU loaned the money to PARMAR, YOU had conducted no business or performed no services for the DEBTOR.

RESPONSE: Admitted.

REQUEST FOR ADMISSION NO. 4:

Admit that up to the time YOU received each TRANSFER identified on EXHIBIT "A" to the COMPLAINT, YOU had conducted no business or performed no service for the DEBTOR.

RESPONSE: Denied. Upon information and belief, the funds were used by the Debtor or one of the debtor's affiliated entities.

REQUEST FOR ADMISSION NO. 5:

Admit that each TRANSFER identified on EXHIBIT "A" to the COMPLAINT, was received by YOU in satisfaction of a debt PARMAR owed to YOU personally.

RESPONSE: Admitted that I loaned the money, but denied that it was for Parmar personally. It was a loan to his business, which I believe is the Debtor or one of its affiliates.

REQUEST FOR ADMISSION NO. 6:

Admit that PARMAR advised YOU in 2009, he did not have the money to pay back the loan.

RESPONSE: Admitted; however, he stated neither he nor his businesses had the funds to repay the loan.

REQUEST FOR ADMISSION NO. 7:

Admit that PARMAR advised YOU in 2010, he did not have the money to pay back the loan.

RESPONSE: Admitted; however, he stated neither he nor his businesses had the funds to repay the loan.

REQUEST FOR ADMISSION NO. 8:

Admit that YOU sought collateral from PARMAR to secure the loan.

RESPONSE: Admitted.

REQUEST FOR ADMISSION NO. 9:

Admit that the Debtor received no value as a result of the loan in 2009 to PARMAR.

RESPONSE: Denied. Upon information and believe, the funds were used as a bridge loan by the Debtor and/or its affiliated entity.

CERTIFICATION

I hereby certify the foregoing statements made by me in these Request for Admissions are true.

To the extent any of the foregoing statements made by me are willfully false, I am subject to punishment.

Dated: 10/13/2020



HOWARD M. SCHOOR

Docs #4419812-v1

EXHIBIT E

POST DISCOVERY

Date	Billing Party	Description of Service	Time	Amount
10/14/2020	J. Nolan	[REDACTED]	1	\$ 825.00
10/14/2020	J. Nolan	[REDACTED]	0.8	\$ 660.00
10/14/2020	J. Nolan	[REDACTED]	0.5	\$ 412.50
10/14/2020	J. Nolan	[REDACTED]	0.5	\$ 412.50
10/20/2020	J. Nolan	[REDACTED]	0.6	\$ 495.00
10/20/2020	J. Nolan	[REDACTED]	0.7	\$ 577.50
11/4/2020	J. Nolan	[REDACTED]	0.4	\$ 330.00
11/11/2020	J. Nolan	[REDACTED]	0.6	\$ 495.00
11/11/2020	J. Nolan	[REDACTED]	1	\$ 825.00
11/11/2020	J. Nolan	[REDACTED]	0.5	\$ 412.50
11/11/2020	J. Nolan	[REDACTED]	0.2	\$ 165.00
11/12/2020	J. Nolan	[REDACTED]	1	\$ 825.00
11/12/2020	J. Nolan	[REDACTED]	0.6	\$ 495.00
11/16/2020	J. Nolan	[REDACTED]	0.3	\$ 247.50
11/20/2020	J. Nolan	[REDACTED]	0.4	\$ 330.00

Date	Billing Party	Description of Service	Time	Amount
11/20/2020	J. Nolan	[REDACTED]	0.5	\$ 412.50
11/20/2020	J. Nolan	[REDACTED]	1	\$ 825.00
11/24/2020	J. Nolan	[REDACTED]	0.8	\$ 660.00
11/25/2020	J. Nolan	[REDACTED]	0.4	\$ 330.00
12/2/2020	J. Nolan	[REDACTED]	1.50	\$ 1,237.50
12/2/2020	J. Nolan	[REDACTED]	0.3	\$ 247.50
12/3/2020	J. Nolan	[REDACTED]	1	\$ 825.00
12/3/2020	J. Nolan	[REDACTED]	1	\$ 825.00
12/4/2020	J. Nolan	[REDACTED]	0.4	\$ 330.00
12/9/2020	J. Nolan	[REDACTED]	0.5	\$ 412.50
12/10/2020	J. Nolan	[REDACTED]	0.5	\$ 412.50
12/10/2020	J. Nolan	[REDACTED]	0.3	\$ 247.50
12/11/2020	J. Nolan	[REDACTED]	2	\$ 1,650.00
12/11/2020	J. Nolan	[REDACTED]	0.3	\$ 247.50
12/11/2020	L. Canty	[REDACTED]	2.2	\$ 1,012.00

Date	Billing Party	Description of Service	Time	Amount
12/13/2020	J. Nolan	[REDACTED]	1	\$ 825.00
12/13/2020	J. Nolan	[REDACTED]	0.8	\$ 660.00
12/14/2020	J. Nolan	[REDACTED] or	1.2	\$ 990.00
12/15/2020	J. Nolan	[REDACTED]	1	\$ 825.00
12/16/2020	J. Nolan	[REDACTED]	2.3	\$ 1,897.50
12/17/2020	J. Nolan	[REDACTED]	1.4	
12/17/2020	J. Nolan	[REDACTED]	3.6	\$ 2,970.00
12/17/2020	L. Canty	[REDACTED]	4	\$ 1,840.00
12/21/2020	J. Nolan	[REDACTED]	0.4	\$ 330.00
12/21/2020	J. Nolan	[REDACTED]	0.2	\$ 165.00
12/22/2020	J. Nolan	[REDACTED]	0.5	\$ 412.50
12/23/2020	J. Nolan	[REDACTED]	0.3	\$ 247.50
12/23/2020	J. Nolan	[REDACTED]	1	\$ 825.00
12/29/2020	J. Nolan	[REDACTED]	1	\$ 825.00
12/30/2020	J. Nolan	[REDACTED]	0.9	\$ 742.50
12/31/2020	J. Nolan	[REDACTED]	1.3	\$ 1,072.50

Date	Billing Party	Description of Service	Time	Amount
1/14/2021	J. Nolan	[REDACTED]	0.8	\$ 740.00
1/14/2021	J. Nolan	[REDACTED]	0.4	\$ 370.00
1/14/2021	J. Nolan	[REDACTED]	0.2	\$ 185.00
1/14/2021	I. Scharft	[REDACTED]	0.5	\$447.50
1/15/2021	J. Nolan	[REDACTED]	0.5	\$ 462.50
1/18/2021	J. Nolan	[REDACTED]	0.6	\$ 555.00
1/18/2021	J. Nolan	[REDACTED]	0.4	\$ 370.00
1/18/2021	L. Canty	[REDACTED]	1.1	\$ 506.00
1/20/2021	J. Nolan	[REDACTED]	0.4	\$ 370.00
1/21/2021	J. Nolan	[REDACTED]	0.3	\$ 277.50
1/21/2021	J. Nolan	[REDACTED]	0.3	\$ 277.50
1/22/2021	J. Nolan	[REDACTED]	0.3	\$ 277.50
1/25/2021	J. Nolan	[REDACTED]	0.3	\$ 277.50
1/28/2021	J. Nolan	[REDACTED]	0.4	\$ 370.00
1/29/2021	J. Nolan	[REDACTED]	0.8	\$ 740.00

Date	Billing Party	Description of Service	Time	Amount
1/29/2021	J. Nolan	[REDACTED]	0.6	\$ 555.00
1/29/2021	L. Canty	[REDACTED]	2.5	\$ 1,150.00
2/1/2021	J. Nolan	[REDACTED]	0.4	\$ 370.00
2/1/2021	J. Nolan	[REDACTED]	0.5	\$ 462.50
2/2/2021	J. Nolan	[REDACTED]	0.4	\$ 370.00
2/2/2021	J. Nolan	[REDACTED]	2	\$ 1,850.00
2/10/2021	J. Nolan	[REDACTED]	0.4	\$ 370.00
2/10/2020	J. Nolan	[REDACTED]	0.2	\$ 185.00
2/11/2021	J. Nolan	[REDACTED]	1.6	\$ 1,480.00
2/11/2021	J. Nolan	[REDACTED]	0.2	\$ 185.00
2/12/2021	J. Nolan	[REDACTED]	0.6	\$ 555.00
2/15/2021	J. Nolan	[REDACTED]	3.5	\$ 3,237.50

Date	Billing Party	Description of Service	Time	Amount
2/16/2021	J. Nolan	[REDACTED]	2.5	\$ 2,312.50
2/16/2021	J. Nolan	[REDACTED]	0.4	\$ 370.00
2/16/2021	J. Nolan	[REDACTED]	0.3	\$ 277.50
2/16/2021	J. Nolan	[REDACTED]	0.7	\$ 647.50
2/16/2021	J. Nolan	[REDACTED]	1.5	\$1,342.50
2/16/2021	J. Nolan	[REDACTED]	0.8	\$740.00
2/16/2021	J. Nolan	[REDACTED]	0.4	\$370.00
2/17/2021	J. Nolan	[REDACTED]	3	\$ 2,775.00
2/18/2021	J. Nolan	[REDACTED]	1	\$ 925.00
2/19/2021	J. Nolan	[REDACTED]	0.5	\$ 462.50
2/19/2021	J. Nolan	[REDACTED]	0.5	\$ 462.50
2/26/2021	J. Nolan	[REDACTED]	0.3	\$ 277.50
3/3/2021	J. Nolan	[REDACTED]	0.6	\$ 555.00
3/4/2021	J. Nolan	[REDACTED]	0.6	\$ 555.00
3/4/2021	J. Nolan	[REDACTED]	3.5	\$ 3,237.50

Date	Billing Party	Description of Service	Time	Amount
3/5/2021	J. Nolan	[REDACTED]	1.2	\$ 1,110.00
3/9/2021	J. Nolan	[REDACTED]	1.3	\$ 1,202.50
3/16/2021	J. Nolan	[REDACTED]	2.5	\$ 2,312.50
3/18/2021	J. Nolan	[REDACTED]	0.5	\$ 462.50
3/19/2021	J. Nolan	[REDACTED]	0.3	\$ 277.50
3/19/2021	L. Canty	[REDACTED]	1.3	\$ 598.00
4/6/2021	J. Nolan	[REDACTED]	0.4	\$ 370.00
4/6/2021	J. Nolan	[REDACTED]	0.4	\$ 370.00
4/7/2021	J. Nolan	[REDACTED]	0.2	\$ 185.00
5/7/2021	J. Nolan	[REDACTED]	0.4	\$370.00
5/7/2021	J. Nolan	[REDACTED]	0.3	\$277.50
5/10/2021	J. Nolan	[REDACTED]	0.3	\$277.50
5/12/2021	J. Nolan	[REDACTED]	2.5	\$2,312.50
5/12/2021	J. Nolan	[REDACTED]	0.5	\$462.50

Date	Billing Party	Description of Service	Time	Amount
5/12/2021	J. Nolan	[REDACTED]	0.5	\$462.50
5/12/2021	J. Nolan	[REDACTED]	0.3	\$277.50
5/13/2021	J. Nolan	[REDACTED]	0.4	\$370.00
5/13/2021	J. Nolan	[REDACTED]	0.4	\$370.00
5/13/2021	L. Canty	[REDACTED]	1.9	\$1,334.00

95.1 \$ 77,517.50

Year	Hourly Rate	Billing Party
2020	\$825.00	Jeffrey P. Nolan
2021	\$925.00	Jeffrey P. Nolan
2021	\$895.00	Ilan D. Scharf
2021	\$460.00	La Asia Canty

EXHIBIT F

DEPOSITION

Date	Billing Party	Description of Service	Time	Amount
11/20/2020	J. Nolan	Meet and confer regarding deposition of Howard Schoor	0.4	\$ 330.00
12/2/2020	J. Nolan	Review pertinent documents; Telephone conference with Veritext regarding set-up of Schoor deposition; Review platform.	1.50	\$ 1,237.50
12/2/2020	J. Nolan	Draft correspondence to Defendant, Howard Schoor regarding deposition availability	0.3	\$ 247.50
12/4/2020	J. Nolan	Draft Notice of Deposition of Defendant, Schoor; Serve	0.4	\$ 330.00
12/10/2020	J. Nolan	Meet with Veritext regarding set-up for exhibits for Schoor deposition; Discuss with La Asia Canty	0.5	\$ 412.50
12/10/2020	J. Nolan	Draft Notice of Link of deposition of Schoor.	0.3	\$ 247.50
12/11/2020	J. Nolan	Review documents; Compile exhibits for deposition of H. Schoor; Upload to software	2	\$ 1,650.00
12/11/2020	J. Nolan	Preparation for Schoor deposition	2.2	\$ 1,012.00
12/13/2020	J. Nolan	Compile discovery documents for deposition of Defendant, Howard Schoor	0.8	\$ 660.00
12/14/2020	J. Nolan	Legal research [REDACTED] preparation for 12/.17/20 deposition of Defendant, Schoor	1.2	\$ 990.00
12/16/2020	J. Nolan	Preparation for 12/17/20 deposition of H. Schoor	2.3	\$ 1,897.50
12/17/2020	J. Nolan	Preparation for deposition of H. Schoor; Connect IT and Veritext for deposition and coordinate with witness	1.4	
12/17/2020	J. Nolan	Deposition of H. Schoor.	3.6	\$ 2,970.00
12/17/2020	L. Canty	Prepare for and assist at Schoor deposition.	4	\$ 1,840.00
12/21/2020	J. Nolan	Research [REDACTED] regarding Schoor	0.4	\$ 330.00
12/21/2020	J. Nolan	Coordinate deposition transcript for Defendant, Schoor	0.2	\$ 165.00
			21.5	\$ 14,319.50

Year	Hourly Rate	Billing Party
2020	\$825.00	Jeffrey P. Nolan
2020	\$425.00	La Asia Canty

EXHIBIT G

MOTION FOR SUMMARY JUDGMENT FEES

Date	Billing Party	Description of Service	Time	Amount
10/14/2020	J. Nolan	Review Schoor written discovery responses; Prepare for 10/15/20 argument to set Summary Judgment hearing	1	\$ 825.00
11/12/2020	J. Nolan	Review case law regarding summary judgment motion against Defendant, Schoor	0.6	\$ 495.00
12/3/2020	J. Nolan	Compile documents for the Separate Statement of Facts in support of request for summary judgment hearing regarding Schoor	1	\$ 825.00
12/3/2020	J. Nolan	Draft Separate Statement of Facts with Defendant, Schoor	1	\$ 825.00
12/15/2020	J. Nolan	Revise Separate Statement of Facts for use in Schoor request for summary judgment	1	\$ 825.00
12/23/2020	J. Nolan	Draft correspondence to counsel for Defendant, Schoor regarding briefing schedule.	0.3	\$ 247.50
12/23/2020	J. Nolan	Revise Separate Statement of Fact for submission to court in Schoor adversary	1	\$ 825.00
12/29/2020	J. Nolan	Legal research case law to support Schoor summary judgment motion.	1	\$ 825.00
12/30/2020	J. Nolan	Legal research case law to support Schoor theory of liability.	0.9	\$ 742.50
12/31/2020	J. Nolan	Receipt deposition transcript of Defendant, Schoor; Review and revise Separate Statement of Fact in support of submission to Court; Forward to opposing counsel with comment.	1.3	\$ 1,072.50
1/14/2021	J. Nolan	Review intentional fraudulent conveyance claim versus Defendant, Schoor	0.8	\$ 740.00
1/14/2021	J. Nolan	Exchange correspondence with Defendant, Schoor regarding extension	0.2	\$ 185.00

Date	Billing Party	Description of Service	Time	Amount
1/15/2021	J. Nolan	Revise Separate Statement of Facts in the Schoor adversary; Forward correspondence to opposing counsel	0.5	\$ 462.50
1/18/2021	J. Nolan	Revise and finalize Separate Statement of Fact for filing with Court in Schoor adversary on 1/21/21; Meet with Don Campbell; Finalize	0.6	\$ 555.00
1/21/2021	J. Nolan	Defendant correspondence to Defendant, Schoor with dates for briefing schedule	0.3	\$ 277.50
1/29/2021	J. Nolan	Revise Schoor briefing letter to the Court; Exchange copies with opposing counsel.	0.8	\$ 740.00
1/29/2021	J. Nolan	Review documents from Debtor regarding Redline litigation and good faith §548(c) so contradict Schoor good faith defense.	0.6	\$ 555.00
2/11/2021	J. Nolan	Draft Declaration of FTI in support of Schoor summary judgment motion; Compile and attach exhibits; Forward to FTI with comment	1.6	\$ 1,480.00
2/11/2021	J. Nolan	Review letter from Defendant, Schoor regarding extension	0.2	\$ 185.00
2/12/2021	J. Nolan	Meet with E. Wong regarding Affidavits in support of Schoor summary judgment motion; Revise Affidavit	0.6	\$ 555.00
2/15/2021	J. Nolan	Draft Motion for Summary Judgment versus Defendant, Schoor; Draft Request for Judicial Notice in support of Motion for Summary Judgment	3.5	\$ 3,237.50
2/16/2021	J. Nolan	Revise and supplement the Request for Judicial Notice; Revise Points and Authorities of Summary Judgment Motion versus Defendant, Schoor	2.5	\$ 2,312.50
2/16/2021	J. Nolan	Revise Declaration of Jeffrey P. Nolan in support of Summary Judgment Motion versus Defendant, Schoor	0.4	\$ 370.00
2/16/2021	I. Scharf	Review Schoor MSJ pleadings.	1.5	\$1,342.50

Date	Billing Party	Description of Service	Time	Amount
2/16/2021	J. Nolan	Meet with L. Forrester regarding additional law to support Motion for Summary Judgment.	0.8	\$740.00
2/16/2021	J. Nolan	Finalize Declaration of E. Wong; Forward to FTI with comment.	0.4	\$370.00
2/17/2021	J. Nolan	Revise and finalize Motion for Summary Judgment versus Defendant, Schoor	3	\$ 2,775.00
3/3/2021	J. Nolan	Review opposition of Defendant, Schoor to Motion for Summary Judgment	0.6	\$ 555.00
3/4/2021	J. Nolan	Legal research case law submitted by Defendant, Schoor in support of opposition	0.6	\$ 555.00
3/4/2021	J. Nolan	Draft Reply Brief in response to Defendant, Schoor Opposition; Draft Affidavit	3.5	\$ 3,237.50
3/5/2021	J. Nolan	Revise Reply in support of Summary Judgment Motion versus Defendant, Schoor	1.2	\$ 1,110.00
3/9/2021	J. Nolan	Review, finalize and file Reply brief in support of Schoor motion for summary judgment	1.3	\$ 1,202.50
4/6/2021	J. Nolan	Exchange correspondence [REDACTED] regarding Schoor litigation [REDACTED]	0.4	\$ 370.00
4/6/2021	J. Nolan	Meet and confer with Defendant, Schoor regarding extension and summary judgment motion	0.4	\$ 370.00
5/7/2021	J. Nolan	Receipt of opposition of Defendant, Schoor.	0.4	\$ 370.00
5/10/2021	J. Nolan	Review the transcript from 3/16/21 hearing regarding Schoor Sur-Reply.	0.3	\$ 277.50

Date	Billing Party	Description of Service	Time	Amount
5/12/2021	J. Nolan	Draft Reply and Motion to Strike the Certification of Howard Schoor in opposition to Summary Judgment Motion; Legal research case law; Finalize.	2.5	\$ 2,312.50
5/12/2021	J. Nolan	Review recording of Schoor and Parmar conversation submitted to Court.	0.5	\$ 462.50
5/12/2021	J. Nolan	Draft Affidavit of Jeffrey P. Nolan in support of Schoor Reply.	0.5	\$ 462.50
5/13/2021	J. Nolan	Finalize Motion to Strike regarding Schoor.	0.4	\$ 370.00
5/13/2021	L. Canty	Further revise Objection and Request to Strike the Certification of Howard M. Schoor, finalize, coordinate filing of same, and serve same.	1.9	\$ 874.00
			41.9	\$ 36,919.00

Year	Hourly Rate	Billing Party
2020	\$825.00	Jeffrey P. Nolan
2021	\$925.00	Jeffrey P. Nolan
2021	\$895.00	Ilan D. Scharf
2021	\$460.00	La Asia Canty

EXHIBIT H

Account Number

424YJ459P
PACHULSKI
STANG ZIEHL
& JONES LLP
LOS
ANGELES
CA

4253Y4K2G
PACHULSKI
STANG ZIEHL
& JONES LLP -
COURTLINK
LOS
ANGELES
CA

Date Range Report Date
11/01/2020 - 6/16/2021

CONTRACT USE													
CLIENT	USER NAME	DATE	PRICING CATEGORY	ACTIVITY DESCRIP	TYPE OF (QUANTITY	GROSS AM	ADJUSTME	NET AMOU	TOTAL BEF	TOTAL CHARGE	HIGH LEVEL	CONTENT
65004.003	NOLAN, JEFFREY P.	APR-07-2021	LEXIS	SEARCH	ACCESS C	5	495	-446.48	48.52	48.52	48.52	N/A	
65004.003	NOLAN, JEFFREY P.	APR-07-2021	LEXIS ANSWER CARD	LEXIS ANSWER CA	DOC ACCI	1	53	-47.8	5.2	5.2	5.2	US	DERIVED CONTENT
65004.003	NOLAN, JEFFREY P.	APR-12-2021	LEXIS	SEARCH	ACCESS C	1	99	-89.29	9.71	9.71	9.71	N/A	
65004.003	FORRESTER, LESLIE ANN	APR-14-2021	LEXIS	SEARCH	ACCESS C	5	495	-448.45	46.55	46.55	46.55	N/A	
65004.003	NOLAN, JEFFREY P.	APR-14-2021	LEXIS	SEARCH	ACCESS C	4	396	-357.18	38.82	38.82	38.82	N/A	
65004.003	FORRESTER, LESLIE ANN	APR-15-2021	LEXIS	SEARCH	ACCESS C	10	990	-896.92	93.08	93.08	93.08	N/A	
65004.003	NOLAN, JEFFREY P.	DEC-13-2020	LEXIS	SEARCH	ACCESS C	3	297	-270.05	26.95	26.95	26.95	N/A	
65004.003	FORRESTER, LESLIE ANN	FEB-04-2021	LEXIS	SEARCH	ACCESS C	2	198	-178.53	19.47	19.47	19.47	N/A	
65004.003	FORRESTER, LESLIE ANN	FEB-09-2021	LEXIS	SEARCH	ACCESS C	6	594	-535.59	58.41	58.41	58.41	N/A	
65004.003	NOLAN, JEFFREY P.	FEB-11-2021	LEXIS	SEARCH	ACCESS C	1	99	-88.64	10.36	10.36	10.36	N/A	
65004.003	MORI, ROLANDA	FEB-11-2021	****NO PRICING CATEGOR	COURTLINK DOCK	DOCKET I	1	7	-6.22	0.78	0.78	0.78	N/A	
65004.003	MORI, ROLANDA	FEB-11-2021	DOCKETS	US DOCKETS	DOC ACCI	1	7	-6.22	0.78	0.78	0.78	US DOCKETS	
65004.003	MORI, ROLANDA	FEB-11-2021	LEXIS	SEARCH	ACCESS C	2	198	-176.04	21.96	21.96	21.96	N/A	
65004.003	NOLAN, JEFFREY P.	FEB-12-2021	LEXIS	SEARCH	ACCESS C	2	198	-177.26	20.74	20.74	20.74	N/A	
65004.003	NOLAN, JEFFREY P.	FEB-15-2021	LEXIS	SEARCH	ACCESS C	3	297	-265.91	31.09	31.09	31.09	N/A	
65004.003	FORRESTER, LESLIE ANN	FEB-16-2021	LEXIS	SEARCH	ACCESS C	6	594	-535.59	58.41	58.41	58.41	N/A	
65004.003	NOLAN, JEFFREY P.	FEB-16-2021	LEXIS	SEARCH	ACCESS C	8	792	-709.07	82.93	82.93	82.93	N/A	
65004.003	NOLAN, JEFFREY P.	FEB-17-2021	LEXIS	SEARCH	ACCESS C	13	1287	-1152.24	134.76	134.76	134.76	N/A	
65004.003	NOLAN, JEFFREY P.	FEB-23-2021	LEXIS	SEARCH	ACCESS C	3	297	-265.91	31.09	31.09	31.09	N/A	
65004.003	NOLAN, JEFFREY P.	JAN-04-2021	LEXIS	SEARCH	ACCESS C	5	495	-448.44	46.56	46.56	46.56	N/A	
65004.003	NOLAN, JEFFREY P.	JAN-06-2021	LEXIS	SEARCH	ACCESS C	4	396	-358.74	37.26	37.26	37.26	N/A	
65004.003	NOLAN, JEFFREY P.	JAN-07-2021	LEXIS	SEARCH	ACCESS C	1	99	-89.68	9.32	9.32	9.32	N/A	
65004.003	NOLAN, JEFFREY P.	JAN-20-2021	LEXIS	SEARCH	ACCESS C	2	198	-179.38	18.62	18.62	18.62	N/A	
65004.003	NOLAN, JEFFREY P.	JAN-28-2021	LEXIS	SEARCH	ACCESS C	1	99	-89.68	9.32	9.32	9.32	N/A	

65004.003 MORI, ROLANDA	JAN-29-2021	DOCKETS	US DOCKETS	DOC ACC	2	14	-12.14	1.86	1.86	1.86 US DOCKETS
65004.003 MORI, ROLANDA	JAN-29-2021	LEXIS	SEARCH	ACCESS C	4	396	-343.63	52.37	52.37	52.37 N/A
65004.003 NOLAN, JEFFREY P.	JUN-01-2021	LEXIS	SEARCH	ACCESS C	15	1485	-1338.58	146.42	146.42	146.42 N/A
65004.003 NOLAN, JEFFREY P.	JUN-02-2021	LEXIS	SEARCH	ACCESS C	1	99	-89.23	9.77	9.77	9.77 N/A
65004.003 FORRESTER, LESLIE ANN	JUN-04-2021	LEXIS	SEARCH	ACCESS C	5	495	-447.71	47.29	47.29	47.29 N/A
65004.003 NOLAN, JEFFREY P.	JUN-06-2021	LEXIS	SEARCH	ACCESS C	6	594	-535.43	58.57	58.57	58.57 N/A
65004.003 NOLAN, JEFFREY P.	JUN-13-2021	LEXIS	SEARCH	ACCESS C	1	99	-89.23	9.77	9.77	9.77 N/A
65004.003 FORRESTER, LESLIE ANN	JUN-14-2021	LEXIS	SEARCH	ACCESS C	5	495	-447.71	47.29	47.29	47.29 N/A
65004.003 FORRESTER, LESLIE ANN	JUN-14-2021	TREATISES, SECONDARY M/	US TREATISES	DOC ACC	1	53	-47.92	5.08	5.08	5.08 US ANALYTICAL MATERIALS
65004.003 NOLAN, JEFFREY P.	JUN-14-2021	LEXIS	SEARCH	ACCESS C	2	198	-178.47	19.53	19.53	19.53 N/A
65004.003 NOLAN, JEFFREY P.	MAR-03-2021	LEXIS	SEARCH	ACCESS C	1	99	-91.76	7.24	7.24	7.24 N/A
65004.003 NOLAN, JEFFREY P.	MAR-07-2021	LEXIS	SEARCH	ACCESS C	2	198	-183.54	14.46	14.46	14.46 N/A
65004.003 MORI, ROLANDA	MAR-09-2021	LEXIS	SEARCH	ACCESS C	2	198	-183.54	14.46	14.46	14.46 N/A
65004.003 GRAY, ERIN	MAR-15-2021	LEXIS	SEARCH	ACCESS C	1	99	-91.76	7.24	7.24	7.24 N/A
65004.003 GRAY, ERIN	MAR-15-2021	TREATISES, SECONDARY M/	US TREATISES	DOC ACC	4	380	-352.23	27.77	27.77	27.77 US ANALYTICAL MATERIALS
65004.003 GRAY, ERIN	MAR-19-2021	LEXIS	SEARCH	ACCESS C	1	99	-91.76	7.24	7.24	7.24 N/A
65004.003 NOLAN, JEFFREY P.	MAY-12-2021	LEXIS	SEARCH	ACCESS C	6	594	-554.93	39.07	39.07	39.07 N/A
65004.003 NOLAN, JEFFREY P.	MAY-18-2021	LEXIS	SEARCH	ACCESS C	1	99	-92.48	6.52	6.52	6.52 N/A
65004.003 NOLAN, JEFFREY P.	MAY-19-2021	LEXIS	SEARCH	ACCESS C	3	297	-277.46	19.54	19.54	19.54 N/A
65004.003 NOLAN, JEFFREY P.	MAY-20-2021	LEXIS	SEARCH	ACCESS C	5	495	-462.44	32.56	32.56	32.56 N/A
65004.003 FORRESTER, LESLIE ANN	MAY-21-2021	LEXIS	SEARCH	ACCESS C	2	198	-185.74	12.26	12.26	12.26 N/A
65004.003 NOLAN, JEFFREY P.	MAY-25-2021	LEXIS	SEARCH	ACCESS C	1	99	-92.48	6.52	6.52	6.52 N/A
65004.003 FORRESTER, LESLIE ANN	MAY-26-2021	LEXIS	SEARCH	ACCESS C	6	594	-557.19	36.81	36.81	36.81 N/A
65004.003 FORRESTER, LESLIE ANN	MAY-27-2021	LEXIS	SEARCH	ACCESS C	1	99	-92.87	6.13	6.13	6.13 N/A
65004.003 NOLAN, JEFFREY P.	MAY-28-2021	LEXIS	SEARCH	ACCESS C	2	198	-184.97	13.03	13.03	13.03 N/A
65004.003 MORI, ROLANDA	NOV-05-2020	****NO PRICING CATEGOR	COURTLINK DOCK	DOCKET I	2	14	-12.78	1.22	1.22	1.22 N/A
65004.003 MORI, ROLANDA	NOV-05-2020	LEXIS	SEARCH	ACCESS C	4	396	-361.37	34.63	34.63	34.63 N/A
65004.003 NOLAN, JEFFREY P.	NOV-09-2020	LEXIS	SEARCH	ACCESS C	4	396	-347.79	48.21	48.21	48.21 N/A
65004.003 FORRESTER, LESLIE ANN	NOV-11-2020	LEXIS	SEARCH	ACCESS C	1	99	-87.34	11.66	11.66	11.66 N/A
65004.003 FORRESTER, LESLIE ANN	NOV-12-2020	LEXIS	SEARCH	ACCESS C	1	99	-87.34	11.66	11.66	11.66 N/A
65004.003 FORRESTER, LESLIE ANN	NOV-13-2020	LEXIS	SEARCH	ACCESS C	4	396	-349.35	46.65	46.65	46.65 N/A
65004.003 NOLAN, JEFFREY P.	NOV-17-2020	LEXIS	SEARCH	ACCESS C	1	99	-86.96	12.04	12.04	12.04 N/A
65004.003 NOLAN, JEFFREY P.	NOV-24-2020	LEXIS	SEARCH	ACCESS C	3	297	-260.85	36.15	36.15	36.15 N/A
65004.003 NOLAN, JEFFREY P.	NOV-27-2020	LEXIS	SEARCH	ACCESS C	9	891	-782.52	108.48	108.48	108.48 N/A
65004.003 NOLAN, JEFFREY P.	NOV-29-2020	LEXIS	SEARCH	ACCESS C	2	198	-173.9	24.1	24.1	24.1 N/A
65004.003 NOLAN, JEFFREY P.	NOV-30-2020	LEXIS	SEARCH	ACCESS C	5	495	-434.73	60.27	60.27	60.27 N/A
Total:						19734	-17829.43	1904.57	1904.57	1904.57

Billing data reports include estimated taxes. The official invoice includes taxes based on actual usage for usage-based services or/and default location for non-usage-based services at invoice period end.

EXHIBIT I

COSTS IN ADVERSARY
ORION HEALTHCORP vs. HOWARD SCHOOR

Date	Description	Cost
3/12/2020	Filing Fees	\$350.00
12/31/2020	Deposition of Howard Schoor	\$2,282.55
10/14/20-5/13/21	Lexis Research	\$1,904.57
		\$4,537.12

David Feldman, A Veritext Corp - New York Region

Tel. 212-705-8585 Email: billing-dfw@veritext.com
Fed. Tax ID: 20-3132569



Bill To: Jeffrey Nolan Esq
Pachulski Stang Ziehl Young Jones & Weintraub LLP
10100 Santa Monica Blvd
Floor 13
Los Angeles, CA, 90067-4003

Invoice #: 4747053
Invoice Date: 12/31/2020
Balance Due: \$2,282.50

Case: Orion Healthcorp v. Howard Schoor (1871748(AST))

Proceeding Type: Depositions

Job #: 4373627 | Job Date: 12/17/2020 | Delivery: Normal
Location: Miami, FL
Billing Atty: Jeffrey Nolan Esq
Scheduling Atty: Jeffrey Nolan Esq | Pachulski Stang Ziehl & Jones

Witness: Howard M. Schoor	Quantity	Amount
Original with 1 Certified Transcript	139.00	\$632.45
Attendance	1.00	\$105.00
Exhibits	45.00	\$20.25
Realtime Services - Remote	139.00	\$312.75
Rough Draft	139.00	\$271.05
Veritext Virtual Primary Participants	1.00	\$295.00
Litigation Package (all Electronic Files)	1.00	\$75.00
Production & Processing	1.00	\$48.00
Concierge Technical Support	1.00	\$150.00
Exhibit Share	1.00	\$345.00
Electronic Delivery and Handling	1.00	\$28.00

Notes:	Invoice Total:	\$2,282.50
	Payment:	\$0.00
	Credit:	\$0.00
	Interest:	\$0.00
	Balance Due:	\$2,282.50
TERMS: Payable upon receipt. Accounts 30 days past due will bear a finance charge of 1.5% per month. Accounts unpaid after 90 days agree to pay all collection costs, including reasonable attorney's fees. Contact us to correct payment errors. No adjustments will be made after 90 days. For more information on charges related to our services please consult http://www.veritext.com/services/all-services/services-information		

Please remit payment to:
Veritext
P.O. Box 71303
Chicago IL 60694-1303
Fed. Tax ID: 20-3132569

To pay online, go to www.veritext.com
Veritext accepts all major credit cards
(American Express, Mastercard, Visa, Discover)

Invoice #: 4747053
Invoice Date: 12/31/2020
Balance Due: \$2,282.50

EXHIBIT J

In re Orion
Howard Ehrenberg v. Howard M. Schoor
Adv. Proc. No. 20-0842
Attorneys Fees

Date	Atty	Description	Time	Cost
12/3/2019	JPN	[REDACTED]	0.1	\$79.50
12/5/2019	JPN	[REDACTED]	1	\$ 795.00
12/6/2019	JPN	[REDACTED]	0.9	\$ 715.50
12/9/2019	JPN	[REDACTED]	0.7	\$ 556.50
12/9/2019	MAM	[REDACTED]	0.4	\$ 150.00
12/9/2019	MAM	[REDACTED]	0.2	\$ 75.00
12/24/2019	JPN	[REDACTED]	0.6	\$ 477.00
1/3/2020	JPN	[REDACTED]	1.3	\$ 1,072.50
1/3/2020	MAM	[REDACTED]	1.2	\$ 474.00
1/19/2020	JPN	[REDACTED]	1.5	\$ 1,237.50
1/28/2020	JPN	[REDACTED]	0.3	\$ 274.50
1/29/2020	JPN	[REDACTED]	0.3	\$ 274.50
1/29/2020	MAM	[REDACTED]	0.3	\$ 118.50
2/12/2020	JPN	[REDACTED]	0.5	\$ 412.50
2/12/2020	JPN	[REDACTED]	0.3	\$ 247.50
3/6/2020	JPN	[REDACTED]	0.5	\$ 412.50
3/6/2020	JPN	[REDACTED]	0.5	\$ 412.50
3/6/2020	MAM	[REDACTED]	0.2	\$ 79.00
3/9/2020	JPN	[REDACTED]	1.3	\$ 1,072.50
3/10/2020	JPN	[REDACTED]	1	\$ 825.00
4/13/2020	JPN	[REDACTED]	0.4	\$ 330.00

4/13/2020	JPN	[REDACTED]	0.3	\$ 247.50
4/13/2020	JPN	[REDACTED]	0.8	\$ 660.00
4/16/2020	JPN	[REDACTED]	0.3	\$ 247.50
4/30/2020	JPN	[REDACTED]	1.2	\$ 990.00
4/30/2020	JPN	[REDACTED]	1.5	\$ 1,237.50
4/30/2020	JPN	[REDACTED]	1.3	\$ 1,072.50
5/1/2020	JPN	[REDACTED]	0.5	\$ 412.50
5/28/2020	JPN	[REDACTED]	0.2	\$ 165.00
7/8/2020	JPN	[REDACTED]	0.3	\$ 247.50
8/13/2020	JPN	[REDACTED]	0.2	\$ 165.00
8/18/2020	JPN	[REDACTED]	0.3	\$ 247.50
8/26/2020	JPN	[REDACTED]	0.3	\$ 247.50
8/26/2020	JPN	[REDACTED]	0.3	\$ 247.50
9/8/2020	JPN	[REDACTED]	0.4	\$ 330.00
9/21/2020	JPN	[REDACTED]	0.2	\$ 165.00
10/5/2020	JPN	[REDACTED]	0.4	\$ 330.00
10/6/2020	JPN	[REDACTED]	0.4	\$ 330.00
10/7/2020	JPN	[REDACTED]	1	\$ 825.00
10/8/2020	JPN	[REDACTED]	0.4	\$ 330.00
10/9/2020	JPN	[REDACTED]	0.4	\$ 330.00
10/14/2020	JPN	[REDACTED]	1	\$ 825.00
10/14/2020	JPN	[REDACTED]	0.8	\$ 660.00
10/14/2020	JPN	[REDACTED]	0.5	\$ 412.50
10/14/2020	JPN	[REDACTED]	0.5	\$ 412.50
10/20/2020	JPN	[REDACTED]	0.6	\$ 495.00
10/20/2020	JPN	[REDACTED]	0.7	\$ 577.50
11/4/2020	JPN	[REDACTED]	0.4	\$ 330.00

11/11/2020	JPN	[REDACTED]	0.6	\$	495.00
11/11/2020	JPN	[REDACTED]	1	\$	825.00
11/11/2020	JPN	[REDACTED]	0.5	\$	412.50
11/11/2020	JPN	[REDACTED]	0.2	\$	165.00
11/12/2020	JPN	[REDACTED]	1	\$	825.00
11/12/2020	JPN	[REDACTED]	0.6	\$	495.00
11/16/2020	JPN	[REDACTED]	0.3	\$	247.50
11/20/2020	JPN	[REDACTED]	0.4	\$	330.00
11/20/2020	JPN	[REDACTED]	0.5	\$	412.50
11/20/2020	JPN	[REDACTED]	1	\$	825.00
11/24/2020	JPN	[REDACTED]	0.8	\$	660.00
11/25/2020	JPN	[REDACTED]	0.4	\$	330.00
12/2/2020	JPN	[REDACTED]	1.50	\$	1,237.50
12/2/2020	JPN	[REDACTED]	0.3	\$	247.50
12/3/2020	JPN	[REDACTED]	1	\$	825.00
12/3/2020	JPN	[REDACTED]	1	\$	825.00
12/4/2020	JPN	[REDACTED]	0.4	\$	330.00
12/9/2020	JPN	[REDACTED]	0.5	\$	412.50
12/10/2020	JPN	[REDACTED]	0.5	\$	412.50
12/10/2020	JPN	[REDACTED]	0.3	\$	247.50
12/11/2020	JPN	[REDACTED]	2	\$	1,650.00

12/11/2020	JPN	[REDACTED]	0.3	\$ 247.50
12/11/2020	LSC	[REDACTED]	4.2	\$ 1,932.00
12/13/2020	JPN	[REDACTED]	1	\$ 825.00
12/13/2020	JPN	[REDACTED]	0.8	\$ 660.00
12/14/2020	JPN	[REDACTED]	1.2	\$ 990.00
12/15/2020	JPN	[REDACTED]	1	\$ 825.00
12/16/2020	JPN	[REDACTED]	2.3	\$ 1,897.50
12/17/2020	JPN	[REDACTED]	1.4	
12/17/2020	JPN	[REDACTED]	3.6	\$ 2,970.00
12/17/2020	LSC	[REDACTED]	4	\$ 1,840.00
12/21/2020	JPN	[REDACTED]	0.4	\$ 330.00
12/21/2020	JPN	[REDACTED]	0.2	\$ 165.00
12/22/2020	JPN	[REDACTED]	0.5	\$ 412.50
12/23/2020	JPN	[REDACTED]	0.3	\$ 247.50
12/23/2020	JPN	[REDACTED]	1	\$ 825.00
12/29/2020	JPN	[REDACTED]	1	\$ 825.00
12/30/2020	JPN	[REDACTED]	0.9	\$ 742.50
12/31/2020	JPN	[REDACTED]	1.3	\$ 1,072.50
1/14/2021	JPN	[REDACTED]	0.8	\$ 740.00
1/14/2021	JPN	[REDACTED]	0.4	\$ 370.00

1/14/2021	JPN	[REDACTED]	0.2	\$ 185.00
1/14/2021	IDS	[REDACTED]	0.5	\$447.50
1/15/2021	JPN	[REDACTED]	0.5	\$ 462.50
1/18/2021	JPN	[REDACTED]	0.6	\$ 555.00
1/18/2021	JPN	[REDACTED]	0.4	\$ 370.00
1/18/2021	LSC	[REDACTED]	1.1	\$ 506.00
1/20/2021		[REDACTED]	0.4	\$ 370.00
1/21/2021		[REDACTED]	0.3	\$ 277.50
1/21/2021	JPN	[REDACTED]	0.3	\$ 277.50
1/22/2021	JPN	[REDACTED]	0.3	\$ 277.50
1/25/2021	JPN	[REDACTED]	0.3	\$ 277.50
1/28/2021	JPN	[REDACTED]	0.4	\$ 370.00
1/29/2021	JPN	[REDACTED]	0.8	\$ 740.00
1/29/2021	JPN	[REDACTED]	0.6	\$ 555.00
1/29/2021	LSC	[REDACTED]	2.5	\$ 1,150.00
2/1/2021	JPN	[REDACTED]	0.4	\$ 370.00
2/1/2021	JPN	[REDACTED]	0.5	\$ 462.50
2/2/2021	JPN	[REDACTED]	0.4	\$ 370.00
2/2/2021	JPN	[REDACTED]	2	\$ 1,850.00
2/10/2021	JPN	[REDACTED]	0.4	\$ 370.00

2/10/2020	JPN	[REDACTED]	0.2	\$ 185.00
2/11/2021	JPN	[REDACTED]	1.6	\$ 1,480.00
2/11/2021	JPN	[REDACTED]	0.2	\$ 185.00
2/12/2021	JPN	[REDACTED]	0.6	\$ 555.00
2/15/2021	JPN	[REDACTED]	3.5	\$ 3,237.50
2/16/2021	JPN	[REDACTED]	2.5	\$ 2,312.50
2/16/2021	JPN	[REDACTED]	0.4	\$ 370.00
2/16/2021	JPN	[REDACTED]	0.3	\$ 277.50
2/16/2021	JPN	[REDACTED]	0.7	\$ 647.50
2/16/2021	IDS	[REDACTED]	1.5	\$1,342.50
2/16/2021	JPN	[REDACTED]	0.8	\$740.00
2/16/2021	JPN	[REDACTED]	0.4	\$370.00
2/17/2021	JPN	[REDACTED]	3	\$ 2,775.00
2/18/2021	JPN	[REDACTED]	1	\$ 925.00
2/19/2021	JPN	[REDACTED]	0.5	\$ 462.50
2/19/2021	JPN	[REDACTED]	0.5	\$ 462.50
2/26/2021	JPN	[REDACTED]	0.3	\$ 277.50
3/3/2021	JPN	[REDACTED]	0.6	\$ 555.00
3/4/2021	JPN	[REDACTED]	0.6	\$ 555.00

3/4/2021	JPN	[REDACTED]	3.5	\$ 3,237.50
3/5/2021	JPN	[REDACTED]	1.2	\$ 1,110.00
3/9/2021	JPN	[REDACTED]	1.3	\$ 1,202.50
3/16/2021	JPN	[REDACTED]	2.5	\$ 2,312.50
3/18/2021	JPN	[REDACTED]	0.5	\$ 462.50
3/19/2021	JPN	[REDACTED]	0.3	\$ 277.50
3/19/2021	LSC	[REDACTED]	1.3	\$ 598.00
4/6/2021	JPN	[REDACTED]	0.4	\$ 370.00
4/6/2021	JPN	[REDACTED]	0.4	\$ 370.00
4/7/2021	JPN	[REDACTED]	0.2	\$ 185.00
5/7/2021	JPN	[REDACTED]	0.4	\$370.00
5/7/2021	JPN	[REDACTED]	0.3	\$277.50
5/10/2021	JPN	[REDACTED]	0.3	\$277.50
5/12/2021	JPN	[REDACTED]	2.5	\$2,312.50
5/12/2021	JPN	[REDACTED]	0.5	\$462.50
5/12/2021	JPN	[REDACTED]	0.5	\$462.50
5/12/2021	JPN	[REDACTED]	0.3	\$277.50
5/13/2021	JPN	[REDACTED]	0.4	\$370.00
5/13/2021	JPN	[REDACTED]	0.4	\$370.00
5/13/2021	LSC	[REDACTED]	1.9	\$1,334.00
			121.3	\$ 97,356.50

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK

-----		:
In re:		: Chapter 11
		:
ORION HEALTHCORP, INC ¹ .		: Case No. 8-18-71748 (AST)
		:
Debtors.		: (Jointly Administered)
-----		:
HOWARD M. EHRENBERG IN HIS CAPACITY		:
AS LIQUIDATING TRUSTEE OF ORION		: Adv. Pro. No. 8-20-8049 (AST)
HEALTHCORP, INC., ET AL.,		:
		: Trial: July 24, 2024
Plaintiff,		: Time: 1:30 p.m.
		: Place: Courtroom 960
v.		: U.S. Bankruptcy Court
		: 290 Federal Plaza
ARVIND WALIA; NIKNIM MANAGEMENT		: Islip, NY
INC.,		:
		: Final PTC: July 17, 2024
Defendants.		: Time: 1:30 p.m.
		:
		: Judge: Hon. Alan S. Trust
-----		:

JOINT PRE-TRIAL MEMORANDUM AND PRE-TRIAL SUBMISSIONS

Howard M. Ehrenberg, in his capacity as Liquidating Trustee of Orion Healthcorp, Inc., *et al.*, plaintiff in this adversary proceeding (“Plaintiff”) and Arvind Walia and NIKNIM Management Inc. (“NIKNIM”), defendants in this adversary proceeding (“Defendants”), submit the following Joint Pre-Trial Memorandum and Pre-Trial Submissions through their respective counsels pursuant to Local Bankruptcy Rule 701.

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Orion Healthcorp, Inc. (7246); Constellation Healthcare Technologies, Inc. (0135); NEMS Acquisition, LLC (7378); Northeast Medical Solutions, LLC (2703); NEMS West Virginia, LLC (unknown); Physicians Practice Plus Holdings, LLC (6100); Physicians Practice Plus, LLC (4122); Medical Billing Services, Inc. (2971); Rand Medical Billing, Inc. (7887); RMI Physician Services Corporation (7239); Western Skies Practice Management, Inc. (1904); Integrated Physician Solutions, Inc. (0543); NYNM Acquisition, LLC (unknown) Northstar FHA, LLC (unknown); Northstar First Health, LLC (unknown); Vachette Business Services, Ltd. (4672); Phoenix Health, LLC (0856); MDRX Medical Billing, LLC (5410); VEGA Medical Professionals, LLC (1055); Allegiance Consulting Associates, LLC (7291); Allegiance Billing & Consulting, LLC (7141); New York Network Management, LLC (7168). The corporate headquarters and the mailing address for the Debtors listed above is 1715 Route 35 North, Suite 303, Middletown, NJ 07748.

I. PROCEDURAL POSTURE

1. The Parties filed Motions for Summary Judgment or, in the alternative, Summary Adjudication, with the Court. As established at the April 10, 2024, conference announcing the Court's rulings (the "Ruling Conference"), certain facts and issues are deemed admitted for trial pursuant to Rule 56(g) and the law of the case. (Notice of Ruling; "NOR")

2. As to the Second Transfer, the Court avoided the Second Transfer as against Defendant NIKNIM, as to the Plaintiff's First Cause of Action to Avoid an Intentionally Fraudulent Transfer under 11 U.S.C. §§544 and 548(a)(1)(A) and N.Y. Debtor and Creditor Law §276, and Second Cause of Action to Avoid a Constructively Fraudulent Transfer under 11 U.S.C. §544 and N.Y. Debtor and Creditor Law §§272-275 and §273-a.

3. The Court denied the Plaintiff's Motion for Summary Judgment on the relief requested as questions of fact remained for trial. The Court denied Defendants' motion for summary judgment and the relief requested.

II. FACTS ADMITTED REQUIRING NO PROOF (BUT AS TO WHICH OBJECTIONS TO RELEVANCE ARE NOT WAIVED)

A. Pursuant to the Ruling Conference, and the Parties, the following facts require no proof:

4. This is a core proceeding pursuant to 28 U.S.C. § 157(b)(2)(A), (F), (H) and (O).

5. Venue of this adversary proceeding in this district is proper pursuant to 28 U.S.C. § 1409.

6. The First Amended Complaint seeks the return of \$4,020,000. It is undisputed that the transfers at issue involved an interest of certain of the Debtors in property, that was made on or within two years before the date of the filing of the petition in bankruptcy.

7. Parmar and Defendant Walia served in the highest level of officer positions at the debtors Orion and CHT. At the time of each transfer, Mr. Walia was an insider. (NOR, pg 39, lns 3-5)

The First Transfer (April 15, 2016): \$2,500,000

8. The Debtors were an enterprise of several companies aggregated through a series of acquisitions which operated in the healthcare sector primarily in revenue and practice management for physician practices.

9. In 2015, Paul Parmar was the Chief Executive officer of CHT and looking to acquire a medical billing company. He became interested in purchasing Porteck Corporation. ("Porteck")

10. Porteck was a technology services company in the healthcare industry incorporated, owned and controlled by Defendant Walia who acted as its CEO.

11. At the time, Porteck consisted of two business lines: AHMS and PC Advantage ("PCA") which were both medical billing companies.

12. In March 2015, the debtor entity Physicians Practice Plus acquired the assets of Porteck pursuant to an Asset Purchase Agreement ("APA"). The Sellers were Walia, Porteck, and the Janaminder Trust. Mr. Walia executed the APA on behalf of himself, Porteck and the Janaminder Trust. The Walia Trust never signed the APA. (NOR, pg 27, lns 10-16)

13. Mr. Parmar executed the APA on behalf of the Debtor, Physicians Practice.

14. The APA, provides for a purchase price of \$12.8 million for the sale of Porteck even though Mr. Walia had agreed in writing to sell the Porteck assets for \$10.8 million. The purchase price was juiced upwards because Mr. Parmar told Walia he needed to add an additional 2MM to the APA as "deal fees". (NOR, pg 27, lns 18-24)

15. Mr. Walia testified that he paid no attention to what Mr. Parmar was doing when the APA purchase price was set at \$2 million more than the agreed purchase price. Per his testimony, as long as Walia's share did not change, it did not concern me. (NOR, pg 28, lns 2-14)

16. The evidence in the record, the actual deal fees paid to the broker, Abstract business advisors, was \$192,500, or one-tenth or so of the nearly \$2 million by which the purchase price was juiced up. (NOR, pg 28, lns 15-18)

17. In terms of the value of the assets acquired by the debtor entity, the net asset value of AHMS in 2015 was \$1.35 million. The assets were valued at \$2,350,000 less a 1MM liability, a promissory note paid off by the Debtor at acquisition. The assets of PCA were valued at \$2,546,246 but there was 1.9 MM in loans outstanding. The net asset value of PCA recorded at time of purchase by the Debtor was \$474,000. The actual value of the assets acquired from Porteck at the time they were acquired was \$1.824 million being the net asset value of AHMS and the net asset value of PCA. (NOR, pg 28-29, lns 2-14)

18. Despite the written record of the asset valuation, Mr. Parmar and Mr. Walia agreed to the value of the assets being \$10.8 million and apparently was five times the 204 EBITDA of \$2.2 million. And again, that five times multiple is before the \$2 million was added into the transaction. (NOR, pg 29, lns 4-8)

19. Bank records provided evidence memorializing a wire of \$9.8 million from the debtor Constellation Healthcare Technologies to the IOLTA account at Robinson Brog, which was used to close the Porteck sale. (NOR, pg 29, lns 9-13)

20. Of the \$9.8 million, \$6.8 million was wired on to Mr. Walia and \$3 million went sideways in the vernacular to another non-debtor entity controlled by Mr. Parmar called First United Health. (NOR, pg 29, lns 14-17)

21. Once the Porteck deal closed shortly thereafter in June of 2015, Mr. Walia was installed as the chief executive officer of the Debtor's main operating company, Orion Health Co., and became the chief technology officer of Constellation Healthcare Technologies. He continued to serve in those capacities through the fall of 2018.

22. While Mr. Walia was CEO of Orion and CTO of Constellation Health Technologies, on or about April 15 of 2016, the debtor, Constellation Health Technologies, transferred \$2.5 million from its JP Morgan account to NIKNIM.

23. Mr. Walia testified that the stated purpose of the escrow arrangement was to protect the rights of Physicians Practice, the actual acquirer, as purchaser under the Porteck APA to receive \$2.5 million to the extent such funds were required to indemnify Physicians Practice though as a practical matter, the arrangement was not necessary to protect the buyer because it simply withheld payment of the \$2.5 million.

24. The written agreement in Section 1.6 of the APA provides that for purposes of partially-securing the seller's obligations, the amount of \$2,500,000 shall be delivered by the buyers at closing to the escrow agent by wire transfer of immediately available funds pursuant to an escrow agreement substantially in the form attached as Exhibit A to the APA.

25. Section 1.6 clearly required certain conditions of the escrow including that it be established and that it be funded upon occurrence of certain events. However, no escrow agreement was ever executed and no escrow account was ever established. (NOR, pg 31, lns 9-13)

26. Despite Walia's assertion that the \$2.5 million was owed to him or his company, the books and records of the Debtor reflect no antecedent debt at the year ending December. There is no antecedent debt reflected on the books and records as being owed to Walia or NIKNIM. The Debtor's books and records reflect no debt being owed as a result of the Porteck transaction as of the end of 2015. (NOR, pg 31, lns 14-21-8)

27. The Debtor's 2016 books and records did not evidence the satisfaction of any antecedent debt of \$2.5 million or any increase in the net assets of the Debtors as a result of that \$2.5 million transfer.

28. The Trustee asserts that the \$2.5 million transfer was fraudulent based in part on an email that Mr. Parmar sent to Mr. Walia on the date of the transfer, stating, "I am willing to give you \$3.5 million in return for you to allow me to structure it properly internally, which requires I close the file with the \$2 million payment." (NOR, pg 32, lns 1-6)

29. On the same day as that email, the Debtor transferred \$2.5 million from its M&T account, the M&T account of CHT to the JP Morgan account of NIKNIM.

The Second Transfer (June 28, 2017): \$1,520,000.

30. The second transfer at issue involves a 2017 transaction and agreement under which Mr. Walia agreed to sell to Mr. Parmar or a designated entity a software company that Mr. Walia indirectly owned called AllRad Direct LLC. Object Tech Holding LLC was a shell company that Allrad owned.

31. The sale was memorialized by a membership interest purchase agreement, or "MIPA", dated June 2017 between Object Tech as seller and Physicians Healthcare Network Management Solutions as buyer. Physicians Network Solutions, is not and was not one of the Debtors, but was again a third party entity owned or controlled by Mr. Parmar.

32. The MIPA required a due diligence report and the negotiations required the diligence report to be prepared in connection with the sale, but the due diligence report was never completed.

33. The MIPA required various schedules to be provided. Those schedules were never completed, such as 1.3, earnout payments; 1.4, discharge of debts and liabilities, maintenance of working capital.

34. The MIPA also called for certain revenue projections, balance sheets or statements of assets and liabilities to be provided. Those were never provided.

35. State and federal tax returns that were called for under the MIPA from the sellers were never provided. And the Debtor's board of directors never approved the purchase.

36. Despite these deficiencies, the MIPA sale closed in June of 2017 and Debtor's funds, \$1,520,000, was wired out of the Robinson Brog IOLTA account to the NIKNIM bank account at JP Morgan Chase. (NOR, pg 33, lns 17-20)

37. Correspondingly, all of the shares of AllRad were transferred, but transferred to the non-debtor entity, Physicians Network Solutions. No assets were ever transferred in connection with the AllRad Objecttech transaction to any of the Debtors. (NOR, pg 33, lns 20-24)

38. At no point during 2017 did any of the debtors' books and records evidence an antecedent debt of \$1,520,000 or any other debt owed to either of the defendants in connection with Object Tech or AllRad.

39. The debtors' books and records do not evidence the satisfaction of any antecedent debt or increase in net assets of the debtors through the acquisition of the interest in Object Tech or AllRad.

40. The second transfer occurred within eight months prior to the petition date, well within the two- year period.

Defendant NIKNIM Management, Inc. and Its Operations

41. Defendant NIKNIM is a corporation formed under the laws of the State of New York with its principal place of business at Walia's residence at 27 Kettlepond Road, Jericho, New York.

42. NIKNIM was incorporated in 2015, and at all times Walia owned and managed NIKNIM as the sole employee, officer, and shareholder.

43. NIKNIM is an S corp. formed by Walia to manage his consulting work, personal investments, and that of his family trust.

44. Walia established a family trust, the *Janaminder Virk Irrevocable Trust* in 2012 (the "Janaminder Trust"), where he acts as the Trustee and his daughters the beneficiaries.

45. Walia established the *Arvin Walia Irrevocable Trust* (the "Walia Trust") as part of his estate planning where his wife acts as the Trustee.

46. NIKNIM was paid part of Walia's annual salary from the Debtor as a personal accommodation to Walia for tax purposes.

47. NIKNIM followed no corporate formalities and maintained no resolutions of shareholders or minutes.

48. NIKNIM was capitalized with a small amount of one or two thousand dollars.

49. Walia was receiving monies from Orion in 2017 which he would deposit at his convenience into either the NIKNIM or his personal checking account.

50. In 2016-2017, Walia would deposit monies from his other investments, family trust, and his wife's accounts into the NIKNIM bank account.

51. Walia personally requested that the Transfers identified in the Complaint be deposited into the NIKNIM bank account at JP Morgan Chase.

III. QUESTION OF FACT TO BE DETERMINED BY COURT AT TRIAL

A. Pursuant To The Ruling Conference, The Remaining Questions Of Facts To Be Determined Are The Following:

FIRST TRANSFER:

52. Did Parmar misstate the purchase price in the APA in order to divert millions of dollars to his solely owned and controlled entity, FUH?

53. Did Walia participate in the overstatement of the purchase price in the APA?

54. Was the APA governed by New York state law?

55. Was an escrow agreement executed between the buyer and seller of the APA and \$2.5 M deposited into the escrow account pursuant to the APA?

56. Was there a close relationship between Parmar & Walia as of the date of the Transfers?

57. Was the First Transfer a secret and/or hasty transaction made outside the normal course of business?

58. Was the First Transfer concealed from creditors?

59. Did the Debtor, CHT receive fair consideration in exchange for the making of the First Transfer?

60. Did relevant judgment creditors exist at the time of the First Transfer and did they remain unsatisfied as of the petition date?

61. Was the relevant Debtor insolvent at the time of the First Transfer?

62. Did Walia take the First Transfer in accordance with 11 USC 550 (b)(1)?

63. Did Walia take the Second Transfer in accordance with 11 USC 550 (b)(1)?

64. Did Defendant Walia direct the Transfers be made to NIKINIM for his personal convenience?

65. Did Defendant Walia benefit as a result of the Transfers made by the Debtor to NIKNIM?

66. Did Defendant Walia so dominate the affairs of Defendant NIKNIM such that the corporate identity of NIKNIM was to transact the personal affairs of Walia.?

B. GOOD FAITH FACTUAL DISAGREEMENT BETWEEN PARTIES

67. Defendants submit the additional factual issue:

SECOND TRANSFER:

Did any of the Debtors have knowledge of the limited asset value of Niknim?

68. Plaintiff does not agree to the insertion.

IV. ISSUES OF LAW TO BE DETERMINED BY COURT AT TRIAL

FIRST TRANSFER:

69. Was the First Transfer made with actual intent to hinder, delay or defraud any entity or creditors?

70. Did the relevant Debtor receive any consideration for the Payment of the First Transfer?

71. Was the value received by the relevant Debtor “reasonably equivalent” or “Fair consideration” relative to the payment of the First Transfer?

72. Was the relevant Debtor Insolvent on the date of the First Transfer or rendered Insolvent by the Making of the First Transfer?

73. Did Parmar/Debtor and Defendants make the First Transfer in good faith?

SECOND TRANSFER:

74. As to remaining questions of fact for trial;

75. Did Defendant Walia participate in the Second Transfer and what was the extent of his role?

76. Did Defendant Walia benefit from the Second Transfer to Defendant NIKNIM?

**A. GOOD FAITH DISAGREEMENT BETWEEN PARTIES ON
ADDITIONAL LEGAL ISSUES**

Defendants submit the additional legal issue related to the additional factual issues:

77. Can the Trustee challenge the First Transfer as a fraudulent conveyance where the APA, under which the First Transfer was made, itself is not subject to attack as a fraudulent conveyance?

78. Does the Debtors' knowledge of Niknim's limited asset value preclude the Trustee's claim to pierce Niknim's corporate veil?

Plaintiff does not agree to the insertion of these legal issues.

RECOVERY: SUBSEQUENT TRANSFeree LIABILITY UNDER 550(B)(1):

79. Did Defendant Walia participate in the alleged Fraudulent Transfers to Defendant NIKNIM?

80. Did Defendant Walia benefit from the alleged Fraudulent Transfers to Defendant NIKNIM?

81. Is Defendant NIKNIM liable as the initial transferee of the First Transfer and Defendant Walia liable as the subsequent transferee?

82. Is Defendant Walia liable as the subsequent transferee of the Second Transfer to Defendant NIKNIM?

83. Did Walia, as subsequent transferee take in good faith, and without knowledge of the voidability of the transfer?

ALTER EGO THEORY:

84. Did Defendant Walia so dominate the affairs of Defendant NIKNIM and was there such an absence of adherence to corporate formalities such that equity and the law requires that Defendant Walia be liable for the corporate obligation of Defendant NIKNIM?

85. Would recognizing the corporate form of NIKNIM in the circumstances surrounding the present Transfers allow Defendant Walia to effectuate a fraud and/or inequity against legitimate creditors of the Debtors' estate?

V. EXHIBITS TO BE OFFERED BY EACH PARTY AND OBJECTIONS TO EXHIBITS

- A. See Plaintiff's exhibit list as attached hereto and marked numerically.
- B. See Defendant's exhibit list as attached hereto and marked alphabetically.

VI. WITNESSES TO BE OFFERED BY EACH PARTY

A. PLAINTIFF:

Craig Jacobson (expert)

Maxwell Mitchell (expert)

Arvind Walia

Frank Lazarra

Edith Wong

B. DEFENDANT:

Arvind Walia

VII. MOTIONS IN LIMINE;

Plaintiff filed Motion in Limine #1 to Exclude Expert Testimony of Charles Lunden

VIII. EXHIBITS

The Parties exchanged exhibits in accordance with the Pretrial Scheduling Order on or before July 3, 2024.

Dated: July 10, 2024

PACHULSKI STANG ZIEHL & JONES LLP
Attorneys for Plaintiff Howard M. Ehrenberg,
in his capacity as Liquidating Trustee of Orion
Healthcorp, Inc., *et al.*

By: Jeffrey P. Nolan
Ilan D. Scharf, Esq.
Jeffery P. Nolan, Esq., (*pro hac vice*)
780 Third Avenue, 34th Floor
New York, NY 10017
Tel: (212) 561-7700
Email: ischarf@pszjlaw.com

ROSEN & ASSOCIATES P.C.
Attorneys for Defendants Arvind Walia and
NIKNIM Management Inc.

By: /s/Sanford Rosen
Sanford P. Rosen, Esq.
747 Third Avenue
New York, NY 10017-2803
Tel: (212) 223-1100

/s/ Eugene Scheiman
Eugene R. Scheiman, Esq.
LAW OFFICES OF EUGENE R.
SCHEIMAN, PLLC
570 Lexington Avenue
New York, NY 10022
Phone: (646) 280-9000
Email:
eugene.scheiman@scheimanlaw.com

SO ORDERED:

EXHIBIT A

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK**

In re:

ORION HEALTHCORP, INC.,¹

Debtor.

Chapter 11

Case No. 18-71748-ast

HOWARD M. EHRENBURG IN HIS CAPACITY
AS LIQUIDATING TRUSTEE OF ORION
HEALTHCORP, INC., ET AL.,

Plaintiff,

- against -

ARVIND WALIA; NIKNIM MANAGEMENT,
INC.,

Defendant.

Adversary Proc. No. 20-08049-ast

PLAINTIFF'S EXHIBIT LIST

Howard M. Ehrenberg in his capacity as Liquidating Trustee of Orion HealthCorp, Inc., ("Plaintiff") in this adversary proceeding Submits the following Exhibit List through his respective counsel pursuant to Local Bankruptcy Rule 7016-1(b)(2).

PLAINTIFF OFFERS:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Orion Healthcorp, Inc. (7246); Constellation Healthcare Technologies, Inc. (0135); NEMS Acquisition, LLC (7378); Northeast Medical Solutions, LLC (2703); NEMS West Virginia, LLC (unknown); Physicians Practice Plus Holdings, LLC (6100); Physicians Practice Plus, LLC (4122); Medical Billing Services, Inc. (2971); Rand Medical Billing, Inc. (7887); RMI Physician Services Corporation (7239); Western Skies Practice Management, Inc. (1904); Integrated Physician Solutions, Inc. (0543); NYNM Acquisition, LLC (unknown) Northstar FHA, LLC (unknown); Northstar First Health, LLC (unknown); Vachette Business Services, Ltd. (4672); Phoenix Health, LLC (0856); MDRX Medical Billing, LLC (5410); VEGA Medical Professionals, LLC (1055); Allegiance Consulting Associates, LLC (7291); Allegiance Billing & Consulting, LLC (7141); New York Network Management, LLC (7168). The corporate headquarters and the mailing address for the Debtors listed above is 1715 Route 35 North, Suite 303, Middletown, NJ 07748

FIRST TRANSFER

<u>Exhibit</u>	<u>Description</u>	<u>Admitted into Evidence</u>
1.	Letter dated February 20, 2015 from Abstract Business Advisors to Arvind Walia, Exhibit 9 to Walia Deposition	
2.	Ledger with Comments, Bates Nos. EHREN-WALIA 005149-EHREN-WALIA 005172, Exhibit 10 to Walia Deposition	
3.	Asset Purchase Agreement March, 2015 Physician's Practice Plus, LLC, Porteck Corporation, Exhibit 1 to Walia Depo; Ehren-Walia 00002	
4.	Disbursement Authorization and Itemization Ehren-Walia 000084-85	
5.	Email from Arvind Walia to Paul Parmar, Ravi Chivukula, and Sam Zaharis dated April 8, 2016 re Post Closing Payment Calculation – Porteck, Exhibit 4 to Walia Depo	
6.	Calculations Email, Exhibit 6 to Walia Deposition	
7.	Arvind Calculations, Porteck Corporation Statement of Cash Flows December, 2013; Exhibit 7 to Walia Deposition	
8.	Letter dated April 15, 2016 from Paul Parmar to Arvind Walia; AWNK003013-14	
9.	Email from Paul Parmar to Arvind Walia dated April 15, 2016; Exhibit 11 to Walia Deposition; AWNK003010	
10.	Email dated April 8, 2016 from Arvind Walia to Paul Parmar, Ravi Chivukula, Sam Zaharis; EHREN-WALIA 000079-83	
11.	Constellation Press Coverage email from Harriet Lynch to Sam Zaharis dated March 23, 2016, Exhibit 14 to Walia Deposition	
12.	Constellation Healthcare Technologies, M&T Bank Statement dated February 1-February 29, 2016; EHREN-WALIA 00138-00139	
13.	Constellation Healthcare Technologies, M&T Bank Statement dated August 1-August 31, 2016; EHREN-WALIA 00147-00148	

14.	Orion HealthCorp., Inc., Chase Bank Statement dated March 1, 2017-March 31, 2017; EHREN-WALIA 00149-154	
15.	Agreement and General Release dated January 31, 2017 between Physician's Practice Plus, Constellation Healthcare and Porteck, Arvind Walia, Exhibit 13 to Walia Deposition, F05024-E0006-00000268	
16.	JP Morgan Chase Bank N.A. Subpoena to Testify at a Deposition in Civil Action dated September 1, 2021; Chart of Bank Statements from 2015-2017; documents EHREN-NIKNIM CHASE 000001-290	
17.	Proof of Claim file date October 29, 2020, Claim No. 0000010141, Exhibit 29	
18.	Craig Jacobsen at B. Riley Advisory Services Expert Report dated January 10, 2022 and related documents	
19.	Maxwell Miller at Grant Thornton LLP Expert Report dated January 8, 2022 and related documents	

SECOND TRANSFER

20.	Email from Ted Brindamour to Arvind Walia dated May 4, 2017, Exhibit 16 to Walia Deposition	
21.	Allrad Documents email from Arvind Walia to Paul Parmar dated May 7, 2017, Exhibit 17 to Walia Deposition	
22.	Email from Ted Brindamour to Paul Parmar dated May 17, 2017 and AllRad Direct Due Diligence Findings	
23.	Email from Paul Parmar to Arvind Walia dated May 31, 2017; EHREN-WALIA 00406	
24.	Email from Arvind Walia to Paul Parmar dated May 31, 2017; EHREN-WALIA 004003-4005	
25.	Email from Arvind Walia to Paul Parmar dated May 31, 2017 re Allrad Direct Diligence Report – 5-18-2017 Draft; EHREN-WALIA 004019	
26.	Email from Arvind Walia to Sam Zaharis dated June 21, 2017 re Updated Documents; EHREN-WALIA 004972	

27.	Membership Interests Purchase Agreement dated June, 2017 of Physicians Healthcare Network Management Solutions, LLC, Objecttech Holdings, LLC., Exhibit 15 to Walia Deposition	
28.	Email from Arvind Walia to Paul Parmar dated June 19, 2017 re various document – marked up; EHREN-WALIA 004519-4608; Exhibit 0025	
29.	Email from Arvind Walia to Sam Zaharis dated June 21, 2017 re updated documents; EHREN-WALIA 004972; Exhibit 0026	
30.	Plaintiff's Request for Admissions Propounded to Defendant, Niknim Management, Inc., Set One	
31.	Defendant Niknim Management, Inc.'s Responses and Objections to Plaintiff's First Request for Admissions	

Dated: July 10, 2024

PACHULSKI STANG ZIEHL & JONES LLP

/s/ Jeffrey P. Nolan

Jeffrey P. Nolan
 10100 Santa Monica Blvd., 13th Floor
 Los Angeles, California 90067-4003
 Telephone: 310-277-6910
 Facsimile: 310-201-0760

Counsel to Plaintiff, Howard M. Ehrenberg

EXHIBIT B

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK**

In re:

ORION HEALTHCORP, INC.,¹

Debtor.

Chapter 11

Case No. 18-71748-ast

HOWARD M. EHRENBERG IN HIS CAPACITY
AS LIQUIDATING TRUSTEE OF ORION
HEALTHCORP, INC., ET AL.,

Plaintiff,

- against -

ARVIND WALIA; NIKNIM MANAGEMENT,
INC.,

Defendant.

Adversary Proc. No. 20-08049-ast

DEFENDANTS' EXHIBIT LIST

Arvind Walia and Niknim Management, Inc. (“**Defendants**”) in this adversary proceeding submit the following Exhibit List through their counsel pursuant to Local Bankruptcy Rule 7016-1(b)(2).

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor’s federal tax identification number, are: Orion Healthcorp, Inc. (7246); Constellation Healthcare Technologies, Inc. (0135); NEMS Acquisition, LLC (7378); Northeast Medical Solutions, LLC (2703); NEMS West Virginia, LLC (unknown); Physicians Practice Plus Holdings, LLC (6100); Physicians Practice Plus, LLC (4122); Medical Billing Services, Inc. (2971); Rand Medical Billing, Inc. (7887); RMI Physician Services Corporation (7239); Western Skies Practice Management, Inc. (1904); Integrated Physician Solutions, Inc. (0543); NYNM Acquisition, LLC (unknown) Northstar FHA, LLC (unknown); Northstar First Health, LLC (unknown); Vachette Business Services, Ltd. (4672); Phoenix Health, LLC (0856); MDRX Medical Billing, LLC (5410); VEGA Medical Professionals, LLC (1055); Allegiance Consulting Associates, LLC (7291); Allegiance Billing & Consulting, LLC (7141); New York Network Management, LLC (7168). The corporate headquarters and the mailing address for the Debtors listed above is 1715 Route 35 North, Suite 303, Middletown, NJ 07748

DEFENDANTS OFFER:

<u>Exhibit</u>	<u>Description</u>	<u>Admitted into Evidence</u>
A	Expert Report Prepared by Charles S. Lunden, CPA	

Dated: New York, New York
July 3, 2024

ROSEN & ASSOCIATES, P.C.
*Counsel to Arvind Walia and
Niknim Management Inc.*
By: /s/ Sanford P. Rosen
Sanford P. Rosen
PO Box 1274
Shelter Island Heights, NY 11965
(212) 223-1100

LAW OFFICES OF EUGENE R.
SCHEIMAN, PLLC
*Co-counsel to Arvind Walia and
Niknim Management Inc.*
570 Lexington Avenue, Suite 1600
New York, NY 10022
(646) 280-9000

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NEW YORK**

-----		:
In re:		: Chapter 11
		:
ORION HEALTHCORP, INC. ¹		: Case No. 18-71748 (AST)
		:
Debtors.		: (Jointly Administered)
-----		:
		:
HOWARD M. EHRENBERG IN HIS CAPACITY AS		: Adv. Pro. No. 20-08049 (AST)
LIQUIDATING TRUSTEE OF ORION		:
HEALTHCORP, INC., ET AL.,		:
		: Trial: July 24, 2024
Plaintiff,		: Time: 9:30 a.m.
		: Place: Courtroom 960
		: U.S. Bankruptcy Court
v.		: 290 Federal Plaza
		: Islip, NY
ARVIND WALIA; NIKNIM MANAGEMENT, INC.,		:
		: Final PTC: July 17, 2024
Defendants.		: Time: 1:30 p.m.
		:
		: Judge: Hon. Alan S. Trust
-----		:

PLAINTIFF'S CONCLUSIONS OF LAW

COMES NOW, Plaintiff Howard M. Ehrenberg, in his capacity as Liquidating Trustee of Orion Healthcorp, Inc., *et al.* ("Plaintiff"), and submits his Conclusions of Law, in support of Plaintiff's Trial Brief:

¹ The Debtors in these chapter 11 cases, along with the last four digits of each Debtor's federal tax identification number, are: Orion Healthcorp, Inc. (7246); Constellation Healthcare Technologies, Inc. (0135); NEMS Acquisition, LLC (7378); Northeast Medical Solutions, LLC (2703); NEMS West Virginia, LLC (unknown); Physicians Practice Plus Holdings, LLC (6100); Physicians Practice Plus, LLC (4122); Medical Billing Services, Inc. (2971); Rand Medical Billing, Inc. (7887); RMI Physician Services Corporation (7239); Western Skies Practice Management, Inc. (1904); Integrated Physician Solutions, Inc. (0543); NYNM Acquisition, LLC (unknown) Northstar FHA, LLC (unknown); Northstar First Health, LLC (unknown); Vachette Business Services, Ltd. (4672); Phoenix Health, LLC (0856); MDRX Medical Billing, LLC (5410); VEGA Medical Professionals, LLC (1055); Allegiance Consulting Associates, LLC (7291); Allegiance Billing & Consulting, LLC (7141); New York Network Management, LLC (7168). The corporate headquarters and the mailing address for the Debtors listed above is 1715 Route 35 North, Suite 303, Middletown, NJ 07748.

A. <i>Intentional Fraudulent Conveyance</i>	<i>Legal Authorities</i>
<p>1. Section 548(a)(1)(A) of the Bankruptcy Code. Section 548(a)(1)(A) provides as follows: The trustee may avoid any transfer of an interest of the debtor in property,...if the debtor voluntarily or involuntarily—</p> <p>“(A) made such transfer or incurred such obligation with actual intent to hinder, delay, or defraud any entity”</p>	Bankruptcy Code § 548(a)(1)(A).
<p>2. NYDCL Section 276 provides that “Every Conveyance made and every obligation incurred with actual intent, as distinguished from intent presumed in law, to hinder, delay, or defraud either present or future creditors, is fraudulent as to both present and future creditors”</p>	N.Y. Debt & Credit Law §276 (“NYDCL”).
<p>3. The standard set forth in New York state law regarding actual fraudulent conveyances essentially overlaps with the Bankruptcy Code.</p>	<i>Barnard v Albert (In re Janitorial Close-Out City Corp.)</i> , 2013 Bankr LEXIS 523 (Bankr. E.D.N.Y. Feb. 8, 2013).
<p>4. Unlike NYDCL Sections 273 and 275, under NYDCL Section 276, a transferor does not need to receive fair consideration for a conveyance to be fraudulent(“where actual intent to defraud is proven, the conveyance will be set aside regardless of the adequacy of the consideration given.”)</p>	<i>MFS/Sun Life Tr.-High Yield Series v. Van Dusen Airport Servs. Co.</i> , 910 F. Supp 0913, 934 (S.D.N.Y. 1995) (citing to <i>HBE Leasing</i> , 48 F.3d. 623, 639 (2 nd Cir. 1995); <i>Sharp Int'l Corp. v. State St. Bank & Trust Co. (In re Sharp Int'l Corp.)</i> , 403 F.3d 43, 56 (2 nd Cir. 2005).
<p>5. Actual fraudulent intent under NYDCL §278(2) has been construed such that it is satisfied if a "transferee participated or acquiesced in the transferor's fraudulent design.</p>	13 Romualdo P. Eclavea, Carmody-Wait 2d New York Practice with Forms §§85-29 & 85-30 (2002) (emphasis added); <i>Berlenbach v. Bischoff</i> , 137 Misc. 719, 244 N.Y.S. 369, 371 (N.Y.Sup.Ct. Spec. Term 1930); <i>In re Roco Corp.</i> , 701 F.2d 978, 984-85 (1st. Cir. 1983).
<p>6. False statements, misrepresentations and backdating documents is evidence of</p>	<i>United States v. Maciejewski</i> , 70 F. Supp. 2d 129, 134 (Bankr. N.D.N.Y. 1999)

A. <i>Intentional Fraudulent Conveyance</i>	<i>Legal Authorities</i>
intent to defraud as an effort to make an illegitimate transaction appear legitimate.	
7. Because providing actual intent under NYDCL section 276 or Section 548 is difficult to establish through direct evidence . . . the relevant intent may be inferred from the facts and circumstances surrounding the transfer.	<i>45 John Lofts, LLC v. Meridian Cap. Grp. LLC (In re 45 John Lofts, LLC)</i> , 650 B.R. 602 611-612 (Bankr. S.D.N.Y. 2023)
8. These so-called badges of fraud are facts and circumstances so commonly associated with fraudulent transfers that their presence gives rise to an inference of intent”	<i>Sharp Int'l Corp. v. State St. Bank & Trust Co. (In re Sharp Int'l Corp.)</i> , 403 F.3d 43, 56 (2 nd Cir. 2005); <i>5 John Lofts, LLC v. Meridian Cap. Grp. LLC (In re 45 John Lofts, LLC)</i> , 650 B.R. 602 611-612 (Bankr. S.D.N.Y. 2023)
9. Courts frequently look to "badges of fraud" to establish an inference of fraudulent intent in cases brought under an actual intent theory. : 1) the lack or inadequacy of consideration; 2) the family, friendship or close associate relationship between the parties; 3) the retention of possession, benefit, or use of the property in question; 4) the financial condition of the party sought to be charged both before and after the transaction in question; 5) the existence or cumulative effect of a pattern or series of transactions or course of conduct after the incurring of debt, onset of financial difficulties, or pendency or threat of suits by creditors; 6) the general chronology of the events and transactions under inquiry; 7) a questionable transfer not in the usual course of business; and 8) the secrecy, haste, or unusualness of the transaction.	<i>45 John Lofts, LLC v. Meridian Cap. Grp. LLC (In re 45 John Lofts, LLC)</i> , 650 B.R. 602 611-612 (Bankr. S.D.N.Y. 2023) citing to <i>Silverman v. Actrade Capital, Inc. (In re Actrade Fin. Techs., Ltd.)</i> , 337 B.R. 791, 809 (Bankr. S.D.N.Y. 2005); <i>In re Kaiser</i> , 722 F.2d 1574, 1583(2 nd Cir. 1983).
10. The presence or absence of any single badge of fraud is not conclusive; rather, the inquiry focuses on what factors are present, as well as the context for the badges of fraud.	<i>45 John Lofts, LLC v. Meridian Cap. Grp. LLC (In re 45 John Lofts, LLC)</i> , 650 B.R. 602, 611-612 (Bankr. S.D.N.Y. 2023) citing to <i>Halperin v. Morgan Stanley Inv. Mgmt., Inc. (In re Tops Holding II Corp.)</i> , 646 B.R. 617, 675 (Bankr. S.D.N.Y. 2022),

A. Intentional Fraudulent Conveyance	Legal Authorities
11. Although "badges of fraud" are not conclusive and are more or less strong or weak according to their nature and the number occurring in the same case, "a concurrence of several badges will always make out a strong case".	<i>Gafco, Inc. v. H. D. S. Mercantile Corp.</i> , 47 Misc. 2d 661, 665, N.Y.S.2d 109 (Civ. Ct. 1965).
12. Inadequacy of the consideration is considered a "particularly important" badge establishing a fraudulent conveyance.	<i>Est. of Tawil v. Sutton</i> , 2024 N.Y. Misc. LEXIS 839, Kings County Supreme Court (2024) (citing to <i>Axginc Corporation v. Plaza Automall Ltd.</i> , 2022 U.S. Dist. LEXIS 90477, 2022 WL 2135474 (E.D.N.Y. 2022)); <i>Messer v. Wei Chu (In re Xiang Yong Gao)</i> , 560 B.R. 50, 64 (Bankr. E.D.N.Y. 2016).

1A. Deceptive Contracts Are Not A Basis For Consideration In New York And Not Enforceable	Legal Authorities
13. The courts will not recognize contracts which rest upon an illegal consideration, and will not order restitution in so far as one has been performed, but may interfere and prevent the arrangement being further consummated in case of partial performance.	<i>Di Tomasso</i> , 250 A.D. 206, 209, 293 N.Y.S. 912, 916 (App. Div. 2nd Dept. 1937); <i>RTC Mort. Trust 1995-S/N1 v. Sopher</i> , 171 F. Supp. 2d 192, 201 (S.D.N.Y. 2001).
14. A contract is void in New York and unenforceable as a matter of public policy when its performance would practice fraud or deception on a third party.	<i>Chia Huey Chou v. Remington Tai Che</i> , 2010 U.S. Dist. LEXIS 142766 (E.D.N.Y. 2010) citing to <i>Contemporary Mission, Inc. v. Bonded Mailings, Inc.</i> , 671 F.2d 81, 86 (2d Cir. 1982) (Oakes, C.J. concurring and dissenting)
15. As a matter of public policy, fraud and deception practiced on a third party . . . will invalidate a New York contract, at least where there is a 'direct connection between the illegal transaction . . . and the obligation sued upon.	<i>Chia Huey Chou v. Remington Tai Che</i> , 2010 U.S. Dist. LEXIS 142766 (E.D.N.Y. 2010) (quoting <i>McConnell v. Commonwealth Pictures Corp.</i> , 7 N.Y.2d 465, 471, 166 N.E.2d 494, 199 N.Y.S.2d 483 (1960))
16. "[E]ven where a contract is not itself unlawful, the bargain may still be illegal under New York law if it is closely connected with an unlawful act.").	<i>Chia Huey Chou v. Remington Tai Che</i> , 2010 U.S. Dist. LEXIS 142766 (E.D.N.Y. 2010) citing to <i>United States v. Bonanno Organized Crime Family of La Cosa Nostra</i> , 879 F.2d 20,